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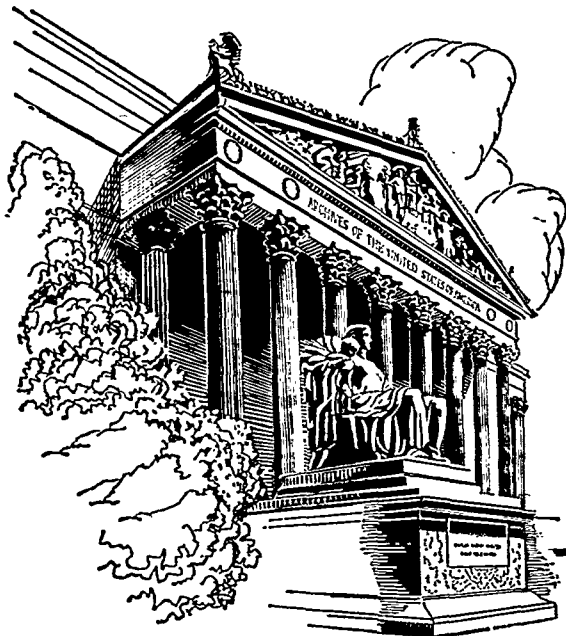
Friday, July 23, 1965 • Washington, D.C.

Pages 9195-9241

Agencies in this issue—

The President
Atomic Energy Commission
Civil Aeronautics Board
Commodity Credit Corporation
Consumer and Marketing Service
Federal Aviation Agency
Federal Communications Commission
Federal Housing Administration
Federal Power Commission
Interior Department
Interstate Commerce Commission
Securities and Exchange Commission

Detailed list of Contents appears inside.



Volume 78

UNITED STATES
STATUTES AT LARGE

188th Cong., 2d Sess.1

Contains laws and concurrent resolutions enacted by the Congress during 1964, the twenty-fourth amendment to the Constitution, and Presidential proclamations. Included is a nu-

merical listing of bills enacted into public and private law, and a guide to the legislative history of bills enacted into public law.

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Contents

THE PRESIDENT

EXECUTIVE ORDER

Inspection of income, estate, and gift tax returns by the Committee on Banking and Currency, House of Representatives.....	9199
--	------

EXECUTIVE AGENCIES

AGRICULTURE DEPARTMENT

See Commodity Credit Corporation; Consumer and Marketing Service.	
---	--

ATOMIC ENERGY COMMISSION

Notices

Rensselaer Polytechnic Institute; proposed issuance of facility license amendment.....	9224
--	------

CIVIL AERONAUTICS BOARD

Rules and Regulations

Classification and exemption of air taxi operators; partial removal of regulatory limitations within State of Hawaii.....	9201
Statements of general policy; minimum rates for quicktrans exemptions.....	9205

Notices

Chicago Helicopter Airways, Inc.; postponement of hearing.....	9225
--	------

COMMODITY CREDIT CORPORATION

Rules and Regulations

Cottonseed oil and meal purchase program, 1965.....	9214
---	------

CONSUMER AND MARKETING SERVICE

Rules and Regulations

Dark air-cured tobacco; standards for grades.....	9207
---	------

Irish potatoes grown in Modoc and Siskiyou Counties in California and in all counties in Oregon except Malheur County; shipment limitations; corrections.....	9214
---	------

Proposed Rule Making

Milk in Northwestern Indiana marketing area; tentative agreement.....	9220
---	------

FEDERAL AVIATION AGENCY

Rules and Regulations

Control zones and transition area; alteration and designation.....	9201
--	------

Proposed Rule Making

Federal airways; proposed realignment.....	9220
Jet route; proposed designation.....	9221
Positive control area and jet advisory areas; proposed designation and revocation.....	9221
Restricted area; proposed designation.....	9221
Transition area; proposed alteration.....	9220

FEDERAL COMMUNICATIONS COMMISSION

Proposed Rule Making

UHF television channels; expanded use.....	9222
--	------

Notices

Hearings, etc.:

Brown Radio & Television Co. (WBVL) et al.....	9225
Jefferson Radio Co. (KABE).....	9227
Kent-Sussex Broadcasting Co.....	9228
Northland Television Corp. et al.....	9228
WMEN, Inc., and Tallahassee Appliance Corp.....	9228

FEDERAL HOUSING ADMINISTRATION

Rules and Regulations

Contract rights and obligations; method of payment and incorporation by reference.....	9218
--	------

FEDERAL POWER COMMISSION

Notices

Hearings, etc.:

El Paso Natural Gas Co.....	9233
Heldt, James D.....	9228
Ohio Fuel Gas Co.....	9234
Shell Oil Co.....	9234

HOUSING AND HOME FINANCE AGENCY

See Federal Housing Administration.	
-------------------------------------	--

INTERIOR DEPARTMENT

Rules and Regulations

Conservation of helium.....	9218
-----------------------------	------

INTERSTATE COMMERCE COMMISSION

Rules and Regulations

Car service.....	9206
Parts and accessories necessary for safe operation.....	9206

Notices

Fourth section applications for relief.....	9236
Motor carrier temporary authority applications (2 documents).....	9237, 9239

SECURITIES AND EXCHANGE COMMISSION

Proposed Rule Making

Hypothecation of customers' securities.....	9222
---	------

Notices

Hearings, etc.:

Kansas Development Credit Corp., Inc.....	9234
Search Investments Corp.....	9235
Wheeling and Lake Erie Railway Co.....	9235

List of CFR Parts Affected

(Codification Guide)

The following numerical guide is a list of the parts of each title of the Code of Federal Regulations affected by documents published in today's issue. A cumulative list of parts affected, covering the current month to date appears at the end of each issue beginning with the second issue of the month.

A cumulative guide is published separately at the end of each month. The guide lists the parts and sections affected by documents published since January 1, 1965, and specifies how they are affected.

3 CFR

EXECUTIVE ORDER:

11235----- 9199

7 CFR

29----- 9207

947----- 9214

1443----- 9214

PROPOSED RULES:

1031----- 9220

14 CFR

71----- 9201

298----- 9201

399----- 9205

PROPOSED RULES:

71 (3 documents)----- 9220, 9221

73----- 9221

75 (2 documents)----- 9221

17 CFR

PROPOSED RULES:

240----- 9222

24 CFR

803----- 9218

803a----- 9218

43 CFR

16----- 9218

47 CFR

PROPOSED RULES:

73----- 9222

49 CFR

95----- 9206

193----- 9206

Presidential Documents

Title 3—THE PRESIDENT

Executive Order 11235

INSPECTION OF INCOME, ESTATE, AND GIFT TAX RETURNS BY THE COMMITTEE ON BANKING AND CURRENCY, HOUSE OF REPRESENT- ATIVES

By virtue of the authority vested in me by section 6103(a) of the Internal Revenue Code of 1954, as amended (68A Stat. 753; 26 U.S.C. 6103(a)), it is hereby ordered that any income, estate, or gift tax return for the years 1956 to 1965, inclusive, shall, during the Eighty-ninth Congress, be open to inspection by the Committee on Banking and Currency, House of Representatives, or any duly authorized subcommittee thereof, in connection with its studies and investigations of matters falling within the jurisdiction of the Committee under clause 4 of Rule XI of the Rules of the House of Representatives, as authorized by House Resolution 133, 89th Congress, agreed to February 16, 1965. Such inspection shall be in accordance and upon compliance with the rules and regulations prescribed by the Secretary of the Treasury in Treasury Decision-6132, relating to the inspection of returns by committees of the Congress, approved by the President on May 3, 1955.

This order shall be effective upon its filing for publication in the FEDERAL REGISTER.

LYNDON B. JOHNSON

THE WHITE HOUSE,
July 21, 1965.

[F.R. Doc. 65-7819 : Filed, July 21, 1965 : 3:30 p.m.]

Rules and Regulations

Title 14—AERONAUTICS AND SPACE

Chapter I—Federal Aviation Agency

[Airspace Docket No. 63-EA-36]

PART 71—DESIGNATION OF FEDERAL AIRWAYS, CONTROLLED AIRSPACE, AND REPORTING POINTS

Alteration of Control Zones and Designation of Transition Area

On April 13, 1965, a notice of proposed rule making was published in the FEDERAL REGISTER (30 F.R. 4723) stating that the Federal Aviation Agency was considering amendments to Part 71 of the Federal Aviation Regulations that would alter the control zones at Wrightstown, N.J. (McGuire AFB), and Lakehurst, N.J., and designate a transition area in the Wrightstown, N.J., terminal area.

Interested persons were afforded an opportunity to participate in the proposed rule making through the submission of comments. Due consideration was given to all relevant matter presented.

The Aircraft Owners and Pilots Association objected to the proposal on the basis that the instrument approaches for the McGuire AFB apparently do not show any approaches involving descent below 1,500 feet at distances greater than approximately 5.5 miles from the end of the runway, and that the existing 5-mile radius control zone with its extensions appears adequate for all approaches since there would continue to be a 700-foot floor transition area surrounding the control zone. Subsequent to the publication of the notice, procedural and operational changes have occurred at McGuire AFB that permit a reduction in the size of the proposed control zone and extensions.

The National Aviation Trades Association objected to the proposal on the basis that the Flying W Ranch Airport and the Burlington County Airport would lie within the 700-foot transition area, thereby permitting a "legal" intrusion of military aircraft into the landing patterns at both of these airports. It was stated further that this situation would create an extremely hazardous condition of a nature unacceptable to general aviation operators using these airfields. The procedural and operational changes that have occurred at McGuire AFB, referred to above, permit the placing of a transition area with a base of 1,200 feet above the surface over these airports in place of the proposed 700-foot transition area.

Since these changes are minor in nature and less restrictive to the public, notice and public procedure hereon are unnecessary and action is taken herein to effect the alterations.

In consideration of the foregoing, Part 71 of the Federal Aviation Regulations is amended, effective 0001 e.s.t., September 16, 1965, as hereinafter set forth.

1. In § 71.171 (29 F.R. 17581), the Lakehurst and Wrightstown control zones are amended to read as follows:

a. LAKEHURST, N.J.—

Within a 5-mile radius of NAS Lakehurst (West Field) (latitude 40°02'05" N., longitude 74°21'05" W.); within 2 miles each side of the Navy Lakehurst RR NE course, extending from the 5-mile radius zone to the Lakewood, N.J., RBN; and within 2 miles each side of the Navy Lakehurst TACAN 058° radial, extending from the 5-mile radius zone to 6 miles NE of the TACAN.

b. WRIGHTSTOWN, N.J. (McGuire AFB)

Within a 5-mile radius of McGuire AFB (latitude 40°00'55" N., longitude 74°35'25" W.), within 2 miles each side of the McGuire VOR 350° radial extending from the 5-mile radius zone to 7 miles N of the VOR; within 2 miles each side of the McGuire VOR 051° radial extending from the 5-mile radius zone to 7 miles NE of the VOR; within 2 miles each side of the McGuire VOR 180° radial extending from the 5-mile radius zone to 6 miles S of the VOR; and within 2 miles each side of the McGuire AFB ILS localizer SW course extending from the 5-mile radius zone to the OM.

2. In § 71.181 (29 F.R. 17643), the Wrightstown, N.J., transition area is added as follows:

That airspace extending upward from 700 feet above the surface within a 12-mile radius of McGuire AFB (latitude 40°00'55" N., longitude 74°35'25" W.); within a 12-mile radius of NAS Lakehurst (West Field) (latitude 40°02'05" N., longitude 74°21'05" W.); within a 5-mile radius of Trenton-Robbinsville Airport (latitude 40°12'45" N., longitude 74°35'50" W.); within 2 miles N and 3 miles S of the Robbinsville VOR 278° and 098° radials extending from the Trenton-Robbinsville 5-mile radius area to 8 miles E of the VOR; within a 5-mile radius of Monmouth County Airport (latitude 40°11'05" N., longitude 74°07'20" W.); within a 5-mile radius of Colts Neck Airport (latitude 40°16'35" N., longitude 74°10'55" W.); within 2 miles each side of the Colts Neck VOR 004° radial extending from the Colts Neck 5-mile radius area to 8 miles N of the VOR; within a 5-mile radius of the Red Bank Airport (latitude 40°19'45" N., longitude 74°04'45" W.); and within 2 miles each side of the Colts Neck VOR 255° radial extending from the Colts Neck Airport 5-mile radius area to 8 miles W of the VOR, excluding the portion within the New York, N.Y., Transition Area; and that airspace extending upward from 1,200 feet above the surface bounded by a line beginning at latitude 40°24'20" N., longitude 74°45'40" W., thence to latitude 40°17'20" N., longitude 73°52'45" W., to latitude 40°13'05" N., longitude 73°20'00" W., to latitude 40°05'20" N., longitude 73°30'45" W., to latitude 39°42'20" N., longitude 74°00'50" W., to latitude 39°32'15" N., longitude 74°16'15" W., to latitude 39°37'31" N., longitude 74°20'02" W., to latitude 39°43'00" N., longitude 74°48'00" W., to latitude 39°53'00" N., longitude 74°48'00" W., to latitude 40°00'35" N., longitude 74°54'35" W., to latitude 40°16'10" N., longitude 74°39'20" W.; thence to the point of begin-

ning. The airspace within W-107 below 2,000 feet MSL and within control area 1147 is excluded.

(Secs. 307(a), 1110, Federal Aviation Act of 1958 (49 U.S.C. 1348, 1510); E.O. 10854 (24 F.R. 9565))

Issued in Washington, D.C., on July 15, 1965.

DANIEL E. BARROW,
Chief, Airspace Regulations
and Procedures Division.

[F.R. Doc. 65-7739; Filed, July 22, 1965;
8:45 a.m.]

Chapter II—Civil Aeronautics Board

SUBCHAPTER A—ECONOMIC REGULATIONS

[Reg. ER-438]

PART 298—CLASSIFICATION AND EXEMPTION OF AIR TAXI OPERATORS

Partial Removal of Regularity Limitations on Air Taxi Operations Within Hawaii

Adopted by the Civil Aeronautics Board at its office in Washington, D.C., on the 20th day of July 1965.

In a notice of proposed rule making published in the FEDERAL REGISTER on November 20, 1963 (28 F.R. 12281), and circulated to the industry as EDR-62, Docket 14640, the Board indicated that it had under consideration an amendment to Part 298 of the Board's Economic Regulations (14 CFR Part 298), to eliminate the restriction on air taxi operations set forth in then § 298.21(b)(2).¹ That restriction prohibits air taxi operators from providing air transportation regularly within the State of Hawaii. In the notice, the Board invited interested persons to submit pertinent information and data in support of removing or continuing the restriction as well as data, views, or arguments pertaining solely to the communications previously filed by other interested parties.

Pursuant to the above notice, 10 comments were received including 1 from a certificated route carrier,² 5 from air taxi operators,³ 1 from a trade association,⁴ and 3 comments from the general public.⁵ Also, a joint brief was filed by

¹ The notice also encompassed consideration of an amendment to Part 298 to eliminate the restriction which prohibits air taxi operators from providing air transportation regularly within territories or possessions of the United States (then § 298.21(b)(1)). The Board removed this regularity restriction by ER-429 adopted Feb. 26, 1965, effective Apr. 3, 1965, 30 F.R. 2779.

² Hawaiian Airlines, Inc.

³ Aero Sales Co., Ltd.; Eric Holloway Executive Air Service; Mueller & Cooke, Ltd., doing business as Hawaiian Air Tour Service (HATS); Pacific Flight Service, Inc.; Pan Pacific Aero, Inc.

⁴ National Air Taxi Conference.

⁵ American Factors, Ltd.; Sheraton Hotels in Hawaii; Waimae Properties, Kawaihae, Hawaii.

three air taxi operators.⁶ Three reply comments were received including two from certificated route carriers⁷ and a joint comment of four air taxi operators (Joint Air Taxis).⁸

Interested persons have been afforded an opportunity to participate in the making of this rule, and due consideration has been given to all relevant matter presented. For the reasons hereinafter set forth, we have decided to partially remove the regularity limitations on air taxi operations within the State of Hawaii by authorizing (1) regular air taxi operations to or from airports or landing areas which are located 15 or more air miles from the nearest airport served by a certificated carrier; and (2) regular tourist sightseeing service.

Discussion. The Hawaiian air taxi operators support removal of the restrictions and the two certificated carriers, Hawaiian Airlines and Aloha, argue for their retention. Essentially, the air taxis argue that such removal is necessary to enable them to provide (a) direct services pursuant to regular schedules between Honolulu and the airstrips at the rapidly expanding resort areas on the outlying islands and (b) multistop sightseeing service pursuant to regular schedules. At the present time, the resort hotel developments in question are located in three main areas: On the island of Maui at Kaanapali; on the island of Kauai at Hanalei; and on the island of Hawaii at Kawaihae. Both Kaanapali and Hanalei are approximately 30 highway miles from airports served by Aloha or Hawaiian Airlines and require driving time of between 45 minutes and 1 hour to reach from the airports used by the certificated carriers. Both resort areas have small airstrips through which air taxi services are presently provided on a nonregular basis, according to the operators' contentions. The resort at Kawaihae has just been completed and a nearby landing strip has not been available, although it is contemplated that one will soon be built. The nearest certificated carrier service on the island of Hawaii is at Kamuela, 16 ground miles and about 30 minutes' driving time from the resort area.

The air taxi operators, supported by the hotel operators, contend that hotel guests cannot be adequately served by the scheduled carriers due to the long distance between the route carrier airports and the hotels, the limited number of air carrier schedules operated and the fact that the certificated carriers cannot serve the airstrips convenient to the hotels. It is further argued that the rapid growth of the State's population and of tourism in an area entirely dependent upon air transportation requires a relaxation of the regularity restriction in order to provide convenient scheduled service between off-line points and to provide regularly scheduled tourist sightseeing flights. The air taxi operators do not propose to render regularly scheduled point-to-point service between air-

ports now served by certificated air carriers.

In opposing the rule change, the Hawaiian certificated carriers allege principally that substantial revenue would be diverted from their present traffic and future potential traffic with resultant adverse effect upon subsidy; that they provide adequate service which, by the use of a high proportion of extra sections, is flexible as to demand; that their service is provided at airports whose distance from the resort areas is well within the 1 hour or 50-mile area airport standard established by the Board; and that the unique situation which caused the Board to differentiate between Hawaiian and mainland air taxi operators continues to exist and has, in fact, become more unique.

The Board has now abolished regularity and frequency restrictions for air taxi operations everywhere except in the States of Hawaii and Alaska. The Board has done so in recognition that air taxi operations have proved to be a valuable supplemental service, and one which the certificated route carriers are not equipped to and do not provide. Because of the nature of the equipment used, the air taxi operator does not pose a significant competitive threat to the route operator. The small equipment which the air taxi operator uses is less attractive to the passenger and more expensive per seat mile to operate than the equipment used by the certificated carrier. On the other hand, the use of this type of equipment gives the air taxi operator greater flexibility in terms of points to be served and the frequency which he serves them. The air taxi operator can thus meet a real public need and can provide useful additional services which the Board feels the public should not be deprived of.

In the case of Hawaii, the Board has been reluctant to relax the regularity restriction because of the fact that transportation between the islands is provided almost exclusively by the two certificated air carriers, both of which are subsidized, and the fear that expanded air taxi authority would increase the subsidy burden. Although this problem undoubtedly still exists, the Board has, for the reasons set forth below, determined to relax the regularity requirement. The same basic factors which have warranted the grant of authority for regular and frequent service elsewhere to an air taxi operator warrant the same authorization here, subject to suitable conditions to prevent undue diversion from the revenues of the air route operators.

Point-to-point service. It is clear that removal of the restrictions within Hawaii to permit regular service to noncertificated points would produce benefits to the traveling public as well as to the communities involved and the State of Hawaii. The air taxi operators would provide regular point-to-point service for which there is a public demand, a service which differs from that provided by the certificated carriers in that smaller equipment would be used and a greater number of frequencies provided; in addition, the service would be more direct

since the air taxis, unlike the certificated carriers, can fly directly to the small landing strips alongside the new resort hotels in the outlying islands. The use of certificated carriers to reach the resort areas necessitates surface transportation over winding roads requiring considerable driving time in some instances.

It also appears that regular air taxi point-to-point service will aid in promoting the growth and development of the outer islands and stimulate air traffic between the island of Oahu and the other islands, a result which the Board indicated in its opinion in Hawaiian Common Fares Case⁹ would be desirable. The Hawaiian transportation market is unique in that all interisland common carrier passenger traffic now moves by air and the public is completely dependent for regular service on the two certificated air carriers. Thus removal of the restriction on air taxi operators would unquestionably provide the public a greater opportunity for convenient air service.

We recognize that increased operations by air taxis to serve the outlying areas may well divert some traffic from the route carriers. It is neither possible nor necessary to forecast the exact amount of such diversion. The certificated carriers themselves have not indicated to what extent they would suffer diversion. Of course, the mere fact that some traffic would be diverted does not mean that the route carriers would suffer loss of revenue in direct proportion to the reduced traffic, especially in these markets in which the operator's capacity has tended to be matched with traffic. Thus, in the long run, at least, additional traffic which the route carriers would carry if the air taxi operators did not provide these services would require the operation of additional capacity, the expenses for which would offset, at least in part, the revenues realized.

We conclude that a partial relaxation of the restrictions on regularity and frequency will have, at most, a modest impact on the certificated carriers. We also believe that the risk of a small additional subsidy burden is justified by the peculiar dependency of the State of Hawaii on air traffic and the importance of air taxi services to the future development of the industrial and commercial potential of the islands. Moreover, the grant of additional authority to the air taxi operators will be subject to a 2-year trial period and to certain reporting requirements detailed below. At a later date the Board can reassess the experiment in point-to-point regular air taxi operations based on actual results.

Since the need is for service to points not regularly served by the certificated carriers, and in order to insure against undue diversion, we are restricting the authority to service to or from airports or landing areas which are located 15 or more air miles from an airport served by a certificated carrier. The determination of 15 air miles as the minimum distance from an airport for the purpose of partial relaxation of the regularity requirement in point-to-point service is

⁶ HATS, Pacific Flight and Aero Sales.

⁷ Aloha Airlines, Inc., and Hawaiian Airlines.

⁸ HATS, Pacific Flight, Aero Sales, and Pan Pacific.

⁹ Order E-19073, dated Dec. 6, 1962.

obviously a matter of judgment. Because of the mountainous terrain of much of the islands, travel to any location more than 15 air miles from the airport is apt to involve time-consuming ground transportation. Thus, two of the three resort complexes¹⁰ are about 16 air miles and 30 ground miles from the airports used by the certificated carriers and involve surface transit of between 45 minutes and 1 hour to reach. In our judgment 15 air miles as a cutoff point will provide usable authority for air taxi operators and a convenient service to the public without undue diversion from the certificated carriers.

We shall condition the authorization upon (1) an experimental period of 2 years and (2) certain reporting requirements. In view of the experimental nature of the authorization, it is essential that the Board receive pertinent information on traffic, schedules, and markets served and the required data has been set forth in the rule (see § 298.21(e), *infra*). Such periodic reports should enable the Board to estimate the subsidy impact, evaluate the entire program and decide whether it should continue or modify the regular air taxi service authorization at a later date.

Sightseeing service. There also appears to be a substantial demand for regular sightseeing service by air taxis. The principal air taxi operator offering sightseeing service, HATS, makes the following uncontested representations regarding its services. It performs tours of 12½ hours' duration originating and terminating at Honolulu International Airport via stops at Kona and Hilo, island of Hawaii, and Lihue, island of Kauai. The carrier uses De Havilland Doves (11 passengers and 2 crew) in such operations. If granted authority to conduct regular service, HATS' schedules would vary from an average of four per day in August to two per day in December; sightseeing fares are \$75.00 plus tax. HATS now flies annually approximately 1,000 sightseeing tours, carrying about 10,000 passengers with an annual total of 8,450,000 passenger-miles. Each passenger has a window seat. Its sightseeing traffic grew from 1,216 passengers in 1958 to 9,903 in 1963 and sightseeing revenue, from \$94,000 to \$768,000 during the same period. The 1963 load factor was 94.56 percent. No point-to-point transportation is sold in connection with HATS' tours, nor are layover privileges provided; the only service sold is a 1-day, one-price, complete tour originating and terminating in Honolulu. Three surface trips and one boat trip are included, as are two meals, transportation to and from the passenger's hotel, and insurance from the point of leaving the passenger's hotel to return. If granted authority for regular service, HATS states that it would regularize its present "unscheduled" sightseeing tour service for the convenience and benefit of its customers by enabling them to have advance knowledge of the hours of such service.

There is a factual dispute as to the extent of the sightseeing service offered by the certificated carriers. Thus, Hawaiian Airlines asserts that both certificated carriers provide a 1-day-tour fare for transportation between the various islands in Hawaii, and in addition provide group fares for passengers traveling in groups of 31 or more, over principal routes within Hawaii. Aloha indicates that it offers a 1-day all-expense tour of three islands at a fare of \$57.82 plus tax. However, the Joint Air Taxis assert that Aloha's sightseeing service is offered in DC-3's in which one-half of the sightseers do not have window seats, the tour is scheduled only for Fridays and Saturdays and conducted only if a full complement of 31 passengers is realized. HATS states (February 1964) that Hawaiian Airlines is not engaged in sightseeing activities, and that Aloha did not commence operating occasional tours until July 1963.

On the basis of the information before us, no showing has been made that authorization of regular sightseeing operations by air taxis would impose a substantial additional subsidy burden. In this connection, HATS alleges that in 1963 it carried about 10,000 passengers a year in its 1-day sightseeing service for a total of 8,450,000 passenger miles; and that its 1963 sightseeing revenue was \$768,000. Of course, HATS' revenues include not only the cost of air transportation, but also the cost of various ground services such as meals and surface trips. Moreover, the large amount of HATS' sightseeing traffic does not necessarily mean that this represents diversion of revenue from the route carriers, for a large portion of this revenue undoubtedly represents newly generated traffic. Although the route carriers oppose authorization of regular sightseeing service by air taxi operators, they have failed to show what their diversion would be should the Board authorize such operations. Also, the route carriers have not demonstrated to what extent they benefit financially from their own sightseeing services.

As in the case of point-to-point service to outlying areas, we believe that the public is entitled to the attractive sightseeing services that can be made available by air taxi operators. This type of service is not part of the prime mission of the certificated route carriers. As in the case of point-to-point service, it is apparent that air taxi operators can provide service which meets a public need and which the certificated carriers do not provide. Thus, notwithstanding that the fares for the sightseeing services of the air taxi operators are necessarily higher than those of the route carriers, there has been a substantial public response to HATS' sightseeing services. The smaller type of aircraft used enables air taxi operators to provide window seats for each passenger, greater frequencies, and a more personalized type of service. In surface transportation, sightseeing service is provided by the small independent entrepreneurs using limousines as well as by the larger companies using buses. As in the case of surface transportation, there is a place

in the field of air transportation for both types of sightseeing services, that provided by the small operators as well as that offered by the larger carriers.

The Board, upon consideration of all of the filings herein, finds that the regularity prohibition in § 298.21(b) (1) applicable to the State of Hawaii should be modified to permit (a) regular and frequent air taxi operations to or from airports or landing places which are located 15 or more air miles from airports used by the route carriers and (b) regular sightseeing services. The point-to-point regular services will be authorized for only 2 years and will be subject to certain reporting requirements by air taxi operators as outlined in the rule. There has been no proof that the limited removal of the regularity restriction provided for herein would markedly increase the route carriers' subsidy burden or would otherwise affect adversely the route carriers' operations. It appears that the air taxi operators have adequate equipment to perform the proposed services and the evidence indicates that there is public need for such services in air transportation by small aircraft. The services of the air taxi operators are relatively limited, and to require them to engage in certification proceedings in order to conduct the proposed services would subject them to a financial burden wholly disproportionate to the operations, would be an undue burden on the air taxi operators and would not be in the public interest.

Other matters. Two procedural matters remain to be disposed of. Aloha moved (1) to dismiss the rule making proceeding (Docket 14640) insofar as it contemplates any greater authority for air taxi services in the State of Hawaii, or (2) in the alternative, to consolidate its certificate amendment application (Docket 14915) with the rule making proceeding, to expand the issues in such proceeding to encompass the possible further restriction or withdrawal of the existing exemption for air taxi service in Hawaii, and to decide the entire matter only after hearing. In its certificate amendment application (Docket 14915), Aloha asks for certificate authority to engage in air transportation "between any pair of points in the State of Hawaii," and asserts that if its certificate is thus amended, it would operate small aircraft between certain points where the operation of larger aircraft would not be suitable. As a basis for its alternative motion to consolidate, Aloha asserts, *inter alia*, that its certificate amendment application seeks authority similar to that which is in issue in the rule making proceeding, and that a consolidation of the two proceedings is required by *Ashbacker Radio Corporation v. FCC*, 326 U.S. 327 (1956). In its motion to expand the issues in the rule making proceeding to include the possible further restriction or withdrawal of the air taxi exemption in Hawaii, Aloha asserts that the existing air taxi operations in Hawaii are unduly diversionary from the subsidized services of the route carriers and that it has made application to the Board to provide all air taxi services. An

¹⁰ Resort area Kaanapali on the island of Maui and the resort area Hanalei on the island of Kauai.

answer to Aloha's motion was filed by HATS.

Aloha's request that the Board dismiss the rule making proceeding was previously denied by ER-429, *supra*, p. 1. ER-429 also rejected Aloha's and Hawaiian Airlines' arguments that the Board cannot legally remove the regularity limitations of Part 298 without an evidentiary hearing.

We shall deny the route carriers' motions that we exercise discretion and grant an evidentiary hearing in the rule making proceeding. The basic purpose of Part 298 is to relieve the class of small air carriers from both substantive and procedural burdens including the necessity of an evidentiary hearing. The Board has, indeed, never held an evidentiary hearing in connection with any Part 298 exemption proceeding. An evidentiary hearing would not only be costly to the small air carriers serving Hawaii, but would delay the termination of this proceeding and postpone the date when the air taxi services which we have herein found a public need for, could be provided. Moreover, this proceeding is concerned principally with a policy issue involving the relative roles of air taxi operators and the certificated carriers in Hawaii, and there has been no showing that the information before us is not adequate to resolve these policy questions.

With respect to the portion of Aloha's motion to consolidate the certificate amendment proceeding with the rule making proceeding, Aloha's reliance upon the Ashbacker doctrine is misplaced. The certificate amendment proceeding and the rule making proceeding are not the same type of proceeding and are authorized under different sections of the statute. Thus, the rule making proceeding which is to consider removal from Part 298 of the Board's economic regulations of the regularity restriction for air taxi operations in Hawaii is an exemption proceeding under section 416 of the Act and does not require an evidentiary hearing.¹² On the other hand, Aloha's certificate amendment proceeding is a proceeding under section 401 of the Act to obtain a specific license for a specific carrier and does require an evidentiary hearing. Moreover, the rule making proceeding is by its very nature nonexclusionary within the meaning of Ashbacker; i.e., it could result in a grant of only general exemption authority to all carriers which operate air transportation under the conditions set forth in the exemption, whereas the Ashbacker principle is concerned only with the grant of a specific license to a specific carrier. Finally, there is no showing that the relaxation of the restrictions in air taxi operations will, as a matter of economic fact, preclude a subsequent grant of Aloha's certificate application. To the

extent that Aloha's application proposes the use of large aircraft, it is clear that a different type of service from that provided by the air taxi operators is contemplated, and our decision herein will not foreclose or prejudice Aloha's large aircraft proposal. To the extent that Aloha's application contemplates the use of small equipment, it is equally evident that the action we are taking in the instant proceeding will not adversely affect Aloha. Our action does not make any determination as to the number of the carriers who should be permitted to utilize small equipment in air transportation in Hawaii. Consequently, Aloha's application does not stand in any different posture as a result of our action herein.

Nor do we find any basis for exercising our discretion to consolidate. Rule 12 (a) of the Board's procedural regulations provides for consolidation of proceedings "which involve substantially the same parties, or issues which are the same or closely related, if it finds that such consolidation or contemporaneous hearing will be conducive to the proper dispatch of its business and to the ends of justice and will not unduly delay the proceedings." None of these prerequisites is present here.

With respect to Aloha's motion to expand the issues in the rule making proceeding to include the possible further restriction or withdrawal of the air taxi exemption in Hawaii, the carrier has furnished no factual data in support thereof. Other than the carrier's conclusory statement that air taxi service is unduly diversionary under the present exemption and its assertion that Aloha has applied to the Board for authority to provide all air taxi services, the carrier has supplied no basis for Board action granting the motion. Moreover, on the basis of this record, it appears that a relaxation of the regularity restriction for air taxis in Hawaii, rather than further restriction thereof, is warranted.

The Joint Air Taxis moved to strike Aloha's "Answer to Comments" and Hawaiian Airlines' "Reply Comments" on the ground that those documents were in fact original submission of written data and information which, under the Board's rules, should have been filed previously in order to give other interested parties an opportunity to comment thereon. Answers opposing the motions to strike were filed by Aloha and Hawaiian Airlines.

We shall deny the motions to strike. The documents submitted by the Hawaiian certificated carriers are within the broad classification of "written data, views, or arguments pertaining solely to the communications previously filed by other interested parties" prescribed by the notice of proposed rule making (EDR-62).

In adopting the rule, certain editorial changes have been made in § 298.22 (b) and (c).

Therefore, with respect to operations of air taxi operators within the State of Hawaii, the Civil Aeronautics Board finds that, except to the extent and subject to the conditions provided in Part 298 as

hereinafter amended, the enforcement of the provisions of Title IV of the Federal Aviation Act of 1958, as amended, and the rules and regulations issued thereunder is or would be an undue burden on such air taxi operators by reason of the limited extent of and unusual circumstances affecting their operations and is not in the public interest.

Accordingly, the Civil Aeronautics Board hereby amends Part 298 of its Economic Regulations (14 CFR Part 298), effective August 23, 1965, as follows:

1. Amend § 298.2 by (a) deleting the alphabetical lettering of the paragraphs, and (b) defining "tourist sightseeing service." As amended, § 298.2 reads:

§ 298.2 Definitions.

As used in this part:

"Act" means the Federal Aviation Act of 1958, as amended.

"Air taxi operator" means an air carrier coming within the classification of "air taxi operators" established by § 298.3.

"Air transportation" means interstate, overseas, or foreign air transportation or the transportation of mail by aircraft. This includes carriage by aircraft as a common carrier between places in the same State (a) through airspace outside that State (over other States or the District of Columbia or the open sea or foreign territory) or (b) where such carriage is part of the movement of the passengers or property carried, in interstate, overseas or foreign air commerce.¹³

"Large aircraft" means an aircraft whose maximum certificated takeoff weight is greater than 12,500 pounds.

"Maximum certificated takeoff weight" means the maximum takeoff weight authorized by the terms of the aircraft airworthiness certificate. (This is found in the airplane operating record or in the airplane flight manual which is incorporated by regulation into the airworthiness certificate.)

"Point" when used in connection with any territory or possession of the United States, or the States of Alaska and Hawaii, means any airport or place where aircraft may be landed or taken off, including the area within a 25-mile radius of such airport or place; when used in connection with the continental United States, except Alaska, it shall have the same meaning except be limited to the area within a 3-mile radius of such airport or place: *Provided*, That for the purposes of this part, West 30th Street Heliport and Pan Am Building Heliport, both located in New York City, shall be regarded as separate points.

"Tourist sightseeing service" means an air-surface sightseeing tour in Hawaii which originates and terminates at the city of Honolulu and is scheduled to be completed within an 18-hour period and in which (a) there is a minimum of three scheduled aircraft stops at places other than Honolulu, (b) stopovers are not permitted except as required by the tour

¹¹ Hawaiian Airlines also filed a motion for an evidentiary hearing to which a joint answer was filed by HATS, Pacific Flight, and Aero Sales.

¹² *Eastern Air Lines, Inc. v. CAB* 185 F. 2d 426 (C.A.D.C. 1950), vacated as moot, 341 U.S. 901 (1951). *Cook Cleland Catalina Airways, Inc. v. CAB*, 195 F. 2d 206 (C.A.D.C. 1952).

¹³ Section 401(a) of the Federal Aviation Act of 1958, 49 U.S.C. 1371, prohibits any person from engaging in "air transportation" except to the extent he is authorized to do so by the Board.

itineraries, and (c) the price of the tour includes round-trip air transportation via all scheduled stops, all ground transportation services at the stops and all meals during the tour.

2. Amend § 298.21(b) and add a new paragraph (e) to read as follows:

§ 298.21 Scope of service authorized.

(b) *General limitations.* An air taxi operator is prohibited from providing air transportation, or holding out to the public expressly or by course of conduct, that it provides such transportation regularly or with a reasonable degree of regularity (1) within the State of Hawaii except as provided in paragraph (e) of this section; (2) between any points where scheduled helicopter passenger service, or community center and inter-airport service, is provided by the holder of a certificate of public convenience and necessity either in accordance with such certificate or pursuant to exemption order of the Board; and (3) between any points where an air carrier certificated by the Board to provide unlimited route-type air transportation of persons, property, and mail provides scheduled daily transportation with aircraft having a maximum takeoff weight of 12,500 pounds or less, except as provided in paragraph (e) of this section.

(e) *Regular air taxi service in Hawaii.* Air taxi operators may provide service on a regular and/or frequent basis in Hawaii (1) in tourist sightseeing service as defined in this part, and (2) for a period of 2 years from August 23, 1965, to or from any airport or place where aircraft may be landed or taken off which is located 15 or more air miles from the nearest airport served by a certificated route carrier: *Provided*, That the authorization contained in this subparagraph (2) is conditioned upon the air taxi operator's filing with the Board within 15 days after each semiannual period terminating on June 30 and December 31 of each year a report setting forth for the applicable period (i) all pairs of airports or places between which regular or frequent service was operated; (ii) the number of one-way trips operated for each pair of airports or places; and (iii) the number of one-way passengers carried for each pair of airports or places. The data required by the above proviso may be submitted in such written form as the carrier may choose or on CAB Form 298 which the Board will provide upon request.¹⁴ This report shall be addressed to the Civil Aeronautics Board, Washington, D.C., 20428, Attention: Director, Bureau of Accounts and Statistics.

3. Amend § 298.22 (b) and (c) by making certain editorial changes so that the paragraphs read as follows:

§ 298.22 Operation of large aircraft.

(b) *Reporting of interest in large aircraft.* Every air taxi operator shall re-

port to the Board any proprietary interest, direct or indirect, in any large aircraft or any enterprise operating large aircraft. Such reports shall be filed in duplicate within 30 days of the effective date of this part and thereafter within 5 days of acquisition of such interests. They shall be addressed to the Civil Aeronautics Board, Washington, D.C., 20428, attention of the Chief, Routes and Agreements Division, Bureau of Economic Regulation.

(c) *Reporting of operations with large aircraft.* Any air taxi operator which operates or intends to operate large aircraft for compensation or hire shall file with the Board a description of the method or proposed method of operations and state why such operations are believed not to constitute air transportation. Such reports shall state, among other pertinent matters, whether State lines or the boundaries of the United States will be crossed; the ultimate origin and destination (not only the places between which carriage is provided) of the persons or property carried; and the persons with whom contracts for transportation have been made or are expected to be made. In case operations not falling within the description on file with the Board are to be undertaken, a report containing the same data shall be filed within 3 days after the particulars of such operations have been decided upon. These reports shall be submitted in duplicate, by airmail if mailed more than 200 miles from Washington, D.C., addressed to the Civil Aeronautics Board, Washington, D.C., 20428, attention of the Chief, Routes and Agreements Division, Bureau of Economic Regulation.

(Sec. 204(a), 72 Stat. 743; 49 U.S.C. 1324. Interpret or apply secs. 401(a), 411, 416(b), 72 Stat. 754, 769, 771; 49 U.S.C. 1371, 1381, 1386)

Note: The reporting requirements contained herein have been approved by the Bureau of the Budget in accordance with the Federal Reports Act of 1942.

By the Civil Aeronautics Board.

[SEAL] HAROLD R. SANDERSON,
Secretary.

[F.R. Doc. 65-7761; Filed, July 22, 1965;
8:47 a.m.]

SUBCHAPTER F—POLICY STATEMENTS

[Reg. PS-28]

**PART 399—STATEMENTS OF
GENERAL POLICY**

**Minimum Rates for Quicktrans
Exemptions**

Adopted by the Civil Aeronautics Board at its office in Washington, D.C., on the 20th day of July 1965.

Pursuant to notice of proposed rule making, the Board on March 17, 1965, adopted Regulation No. PS-26, which amended Part 399, Statements of General Policy, with respect to military exemptions and military tariff rates, effective July 1, 1965 (30 F.R. 3871). Among other things, the Board adopted minimum fair and reasonable charges for the performance of Logair and Quicktrans domestic military charter services,

which are set forth in § 399.16 (c) and (d), respectively. The Logair minimum rates are based upon course-flown miles, whereas the Quicktrans rates are based upon direct airport-to-airport miles.

On March 24, 1965, The Slick Corp. (Slick) filed a petition for reconsideration, amendment, or modification of § 399.16(d), requesting that the Quicktrans DC-6A rate be applied on a course-flown rather than a direct airport-to-airport mileage basis. On June 28, 1965, Slick withdrew its petition, since it has not contracted to perform Quicktrans services in fiscal year 1966. Slick's petition in Docket 15808 is therefore dismissed.

The Department of Defense has entered into contracts for fiscal year 1966 with Zantop Air Transport, Inc., and The Flying Tiger Line Inc. for the performance of Quicktrans charters with DC-6A, C-46, and CL-44 aircraft. The contract mileages are in course-flown miles. Since the Quicktrans rates in § 399.16(d) are based on direct airport-to-airport miles and no rate is specified therein for CL-44 aircraft, the Board, by Order E-22383 (June 30, 1965), granted exemptions to the contracting carriers to perform the Quicktrans charters at the minimum line-haul rates specified in § 399.16(c) for Logair services, since the two types of service are essentially comparable.

Because the minimum line-haul charges for Logair and Quicktrans are the same, and the rates for both services are now based upon course-flown miles, the separate rates for Quicktrans in Part 399 are unnecessary. We shall therefore amend § 399.16 to combine the Logair and Quicktrans minimum rates in one paragraph and make conforming editorial changes in §§ 399.16 and 399.38.

Since this amendment is a statement of policy, all interested parties had actual notice of the change prior to the effective date, and substantive rights are in no way affected, notice and public procedure hereon are unnecessary, and the rule is made effective as of July 1, 1965.

In consideration of the foregoing, the Civil Aeronautics Board hereby amends Part 399, Statements of General Policy (14 CFR Part 399), effective July 1, 1965, as follows:

Amend § 399.16(c) and delete paragraph (d) to read as follows:

§ 399.16. Military exemptions.

(c) The minimum line-haul charges considered fair and reasonable for the performance of Logair and Quicktrans domestic military charter services will be as follows:

Aircraft type:	Rate per aircraft statute mile (course-flown miles)
DC-6A	\$1.400
AW-650	1.400
DC-7F, L-1049H	1.950
CL-44	2.400
C-46	0.735

(d) [Deleted]

(Secs. 204, 403, 404, 416, 1002, Federal Aviation Act of 1958, as amended; 72 Stat. 743,

¹⁴ Available from Publications Section, Civil Aeronautics Board, Washington, D.C., 20428.

758, 760, 771, 778, as amended; 49 U.S.C. 1324, 1373, 1374, 1386, 1482; sec. 3, Administrative Procedure Act, 60 Stat. 238, 5 U.S.C. 1002)

By the Civil Aeronautics Board.

[SEAL] HAROLD R. SANDERSON,
Secretary.

[F.R. Doc. 65-7762; Filed, July 22, 1965;
8:47 a.m.]

Title 49—TRANSPORTATION

Chapter I—Interstate Commerce Commission

SUBCHAPTER A—GENERAL RULES AND REGULATIONS

[S.O. 964]

PART 95—CAR SERVICE

Missouri Pacific Railroad Co. Authorized To Operate Over Trackage of the St. Louis-San Francisco Railway Co.

At a Session of the Interstate Commerce Commission, Railroad Safety and Service Board, held in Washington, D.C., on the 16th day of July, A.D. 1965.

It appearing, that the Missouri Pacific Railroad Co. has made application to the Commission, Finance Docket No. 23714, for authority to purchase and/or acquire and operate certain trackage of the St. Louis-San Francisco Railway Co. at Poplar Bluff, Mo.; that the St. Louis-San Francisco Railway Co. was authorized in Finance Docket No. 22369, to abandon the line through Poplar Bluff, Mo., and have placed an embargo on all freight which cannot reach Poplar Bluff and be unloaded prior to the effective date of the embargo, 12:01 a.m., July 19, 1965. The Commission is of the opinion that there is a need for continued service to industries now served by the St. Louis-San Francisco Railway Co. in Poplar Bluff, Mo., and that operation of this line by the Missouri Pacific Railroad Co. will best promote the service in the interest of the public and the commerce of the people; and that notice and public procedure are impracticable and contrary to the public interest and that good cause exists for making this order effective upon less than 30 days' notice.

It is ordered, That:

§ 95.964 Service Order No. 964.

(a) *The Missouri Pacific Railroad Co. Authorized To Operate Over Trackage of the St. Louis-San Francisco Railway Co.* The Missouri Pacific Railroad Co. be, and is hereby authorized to operate over trackage of the St. Louis-San Francisco Railway Co. beginning at point of interchange between the Missouri Pacific Railroad Co. and the St. Louis-San Francisco Railway Co. at Poplar Bluff, Mo. and extending for approximately 17,982 feet to serve industries located on the St. Louis-San Francisco Railway Co. trackage at Poplar Bluff, Mo.

(b) *Application.* The provisions of this order shall apply to intrastate and

foreign traffic as well as to interstate traffic.

(c) *Rules and regulations suspended.* The operation of all rules and regulations insofar as they conflict with the provisions of this order is hereby suspended.

(d) *Effective date.* This order shall become effective at 12:01 a.m., July 19, 1965.

(e) *Expiration date.* The provisions of this order shall expire at 11:59 p.m., December 31, 1965, unless otherwise modified, changed, or suspended by order of this Commission.

(Sec. 1, 12, 15, 24 Stat. 379, 383, 384, as amended; 49 U.S.C. 1, 12, 15. Interprets or applies Secs. 1(10-17), 15(4), 40 Stat. 101, as amended, 54 Stat. 911; 49 U.S.C. 1(10-17), 15(4))

It is further ordered, That copies of this order and direction shall be served upon the Missouri Public Service Commission and upon the Association of American Railroads, Car Service Division, as agent of the railroads subscribing to the car service and per diem agreement under the terms of that agreement; and that notice of this order shall be given to the general public by depositing a copy in the office of the Secretary of the Commission at Washington, D.C., and by filing it with the Director, Office of the Federal Register.

By the Commission, Railroad Safety and Service Board.

[SEAL] H. NEIL GARSON,
Secretary.

[F.R. Doc. 65-7764; Filed, July 22, 1965;
8:46 a.m.]

SUBCHAPTER B—CARRIERS BY MOTOR VEHICLES

[Ex Parte No. MC-40]

PART 193—PARTS AND ACCESSORIES NECESSARY FOR SAFE OPERATION

Qualifications and Maximum Hours of Service of Employees of Motor Carriers and Safety of Operation and Equipment

At a session of the Interstate Commerce Commission, Motor Carrier Board No. 2, held at its office in Washington, D.C., on the 30th day of June A.D. 1965.

The matter of parts and accessories necessary for safe operation under the Motor Carrier Safety Regulations prescribed by order of April 14, 1952, as amended, being under consideration; and

The matter of revision of § 193.43 (a) and (b), only for clarification, the matter of revision of §§ 193.60(a) and 193.61- (a) and (c) to cause regulations relating to glazing in vehicles to be constructed hereafter to be compatible with the most recently adopted national standards, the matter of section 193.85 to eliminate the phrase "such as beams, pipes, sheet steel, and heavy rolls" for clarification, the matter of §§ 193.95(f) (1), (2), and (3) and 193.95(k) to permit the use of red flags

other than cloth, being under consideration; and;

It appearing, that amendment of §§ 193.43 (a) and (b), 193.85, 193.60(a), 193.61 (a) and (c), 193.95(f) (1), (2), and (3), and 193.95(k) of the Code of Federal Regulations relating to parts and accessories necessary for safe operation is warranted, and good cause appearing and (3), and 193.95(k) of the Code of Federal Regulations relating to parts and accessories necessary for safe operation is warranted, and good cause appearing to section 4(a) of the Administrative therefor;

It further appearing, that pursuant to section 4(a) of the Administrative Procedure Act (60 Stat. 237, 5 U.S.C. 1003) for good cause it is found that notice of proposed rule making is unnecessary;

Upon consideration of the record and good cause appearing therefor;

It is ordered, That §§ 193.43 (a) and (b), 193.85, 193.60(a), 193.61 (a) and (c), 193.95(f) (1), (2), and (3), and 193.95(k) of the Code of Federal Regulations be, and they are hereby amended to read as follows:

§ 193.43 Breakaway and emergency braking.

(a) Every motor vehicle, if used to tow a trailer equipped with brakes, shall be equipped with means for providing that in case of breakaway of such trailer the service brakes on the towing vehicle will be sufficiently operative to stop the towing vehicle in compliance with the performance requirements of § 193.52.

(b) Every truck or truck-tractor equipped with air brakes, when used for towing other vehicles equipped with air brakes, shall be equipped with two means of activating the emergency features of the trailer brakes. One of these means shall operate automatically in the event of reduction of the towing vehicle air supply to a fixed pressure which shall not be lower than 20 pounds per square inch nor higher than 45 pounds per square inch. The other means shall be a manually controlled device readily operable by a person seated in the driving seat. Its emergency position or method of operation shall be clearly indicated. In no instance may the manual means be so arranged as to permit its use to prevent operation of the automatic means. The automatic and manual means required by this section may be, but are not required to be, separate.

(c) Every truck-tractor and truck when used for towing other vehicles equipped with vacuum brakes, shall have, in addition to the single control required by § 193.49 to operate all brakes of the combination, a second manual control device which can be used to operate the brakes on the towed vehicles in emergencies. Such second control shall be independent of brake air, hydraulic, and other pressure, and independent of other controls, unless the braking system be so arranged that failure of the pressure on which the second

control depends will cause the towed vehicle brakes to be applied automatically. The second control is not required by this rule to provide modulated or graduated braking.

(d) Every trailer required to be equipped with brakes shall be equipped with brakes of such character as to be applied automatically and promptly upon breakaway from the towing vehicle, and means shall be provided to maintain application of the brakes on the trailer in such case for at least 15 minutes.

(e) Air brake systems installed on towed vehicles shall be so designed, by the use of "no-bleed-back" relay emergency valves or equivalent devices, that the supply reservoir used to provide air for brakes shall be safeguarded against backflow of air to the towing vehicle upon reduction of the towing vehicle air pressure.

(f) The requirements of paragraphs (b), (c), and (d) of this section shall not be applicable to motor vehicles in driveway-towaway operations.

§ 193.85 Protection against shifting cargo.

Every motor vehicle carrying cargo, the nature of which is such that the shifting thereof due to rapid deceleration or accident would be likely to result in penetration or crushing of the driver's compartment must, in addition to having the load securely fastened or braced, be provided with header boards or similar devices of sufficient strength to prevent such shifting and penetration. All motor vehicles shall be so constructed or be equipped with adequate cargo fastening devices so that the load will not penetrate the cargo compartment wall when subjected to the maximum braking deceleration of which the vehicle is capable.

§ 193.60 Glazing in specified openings.

(a) *Kind of glass.* Whenever glazing is used in the windshield, window, door, or any other opening into a bus, truck, or truck-tractor, except vehicles engaged in armored car service, such glazing shall conform to the requirements contained in the "American Standard Safety Code for Safety Glazing Materials for Glazing Motor Vehicles Operating on Land Highways, Z26.1A-1964", of the American Standards Association, Inc., 10 East 40th Street, New York 16, N.Y., provided, however, that glazing conforming to ASA Code Z26.1-1950 is acceptable for vehicles manufactured prior to January 1, 1966.

§ 193.61 Window construction.

(a) *Windows in trucks and truck-tractors.* Every truck and truck-tractor, except vehicles engaged in armored car service, shall have, in addition to the area provided by the windshield, at least one window on each side of the driver's compartment, which window shall have sufficient area to contain either an

ellipse having a major axis of 18 inches and a minor axis of 13 inches or an opening containing 200 square inches formed by a rectangle 13 inches by 17¾ inches with corner arcs of 6-inch maximum radius. The major axis of the ellipse and the long axis of the rectangle shall not make an angle of more than 45 degrees with the surface on which the unladen vehicle stands; however, if the cab is designed with a folding door or doors or with clear openings where doors or windows are customarily located, then no windows shall be required in such locations.

(c) *Pushout-window requirements.* Every glazed opening in a bus, except buses having a seating capacity of eight or less persons, used to satisfy the requirements of paragraph (b) of this section, if not glazed with laminated safety glass, shall have a frame or sash so designed, constructed, and maintained that it will yield outwardly to provide the required free opening when subjected to the drop test specified in Test 25 of the American Standard Code referred to in § 193.60. The height of drop required to open such pushout windows shall not exceed the height of drop required to break the glass in the same window when glazed with the type of laminated glass specified in Test 25 of the Code. The sash for such windows shall be constructed of such material and be of such design and construction as to be continuously capable of complying with the above requirement. Such windows shall not be secured by latches, locks, or similar fastening devices, if such devices, when fastened, will require a greater effort to push out the window than is above required.

§ 193.95 Emergency equipment on all power units.

On every bus, truck, truck-tractor, and every driven vehicle in driveway-towaway operation, there shall be:

(f) *Warning devices for stopped vehicles.* One of the following combinations of warning devices:

(1) Three flares (liquid-burning pot torches) and three fuses and two red flags; or

(2) Three red electric lanterns and two red flags; or

(3) Three red emergency reflectors and two red flags.

(k) *Requirements for red flags.* Red flags shall be not less than 12 inches square, with standards adequate to maintain the flags in an upright position.

(Sec. 204, 49 Stat. 546, as amended; 49 U.S.C. 304)

It is further ordered, That this order shall become effective on the date of service of this order and shall continue in effect until further order of the Commission.

And it is further ordered, That notice of this order shall be given to motor carriers and the general public by depositing a copy thereof in the office of the Secretary of the Interstate Commerce Commission, Washington, D.C., and by filing a copy thereof with the Director, Office of the Federal Register.

By the Commission, Motor Carrier Board No. 2.

[SEAL]

BERTHA F. ARMES,
Acting Secretary.

[F.R. Doc. 65-7755; Filed, July 22, 1965; 8:46 a.m.]

Title 7—AGRICULTURE

Chapter I—Consumer and Marketing Service (Standards, Inspections, Marketing Practices), Department of Agriculture

SUBCHAPTER A—COMMODITY STANDARDS AND STANDARD CONTAINER REGULATIONS

PART 29—TOBACCO INSPECTION

Subpart C—Standards

DARK AIR-CURED TOBACCO

A notice of proposed rule making covering a modification of the Official Standard Grades for Dark Air-cured Tobacco, U.S. Types 35, 36, and 37, was published in the FEDERAL REGISTER of June 8, 1965 (30 F.R. 7494). Interested persons were given 30 days following publication of the notice in the FEDERAL REGISTER in which to submit written data, views, or arguments with respect to the proposed modification. No data, views, or arguments were received.

After consideration of all relevant matters concerning the proposal, the proposed modification, as so published, is adopted without change.

Effective date. In accordance with section 4 of the Administrative Procedure Act (5 U.S.C. 1003), this modification shall become effective 30 days following the date of publication in the FEDERAL REGISTER.

The modification is set forth below.

Done at Washington, D.C., this 20th day of July 1965.

G. R. GRANGE,
Deputy Administrator,
Marketing Services.

1. Subpart C of Part 29 is amended by deleting "Official Standard Grades for Dark Air-cured Tobacco (U.S. Types 35, 36, and 37)" and §§ 29.501 to 29.582 and by substituting therefor, immediately after § 29.3407, the following:

OFFICIAL STANDARD GRADES FOR DARK AIR-CURED TOBACCO (U.S. TYPES 35, 36, AND 37)

DEFINITIONS.

Sec.
29.3501 Definitions.
29.3502 Air-cured.
29.3503 Air-dried.
29.3504 Body.

Sec.	
29.3505	Brown colors.
29.3506	Class.
29.3507	Clean.
29.3508	Color.
29.3509	Color intensity.
29.3510	Color symbols.
29.3511	Condition.
29.3512	Crude.
29.3513	Cured.
29.3514	Damage.
29.3515	Dirty.
29.3516	Elasticity.
29.3517	Finish.
29.3518	Foreign matter.
29.3519	Form.
29.3520	Grade.
29.3521	Grademark.
29.3522	Green (G).
29.3523	Group.
29.3524	Injury.
29.3525	Leaf scrap.
29.3526	Leaf structure.
29.3527	Leaf surface.
29.3528	Length.
29.3529	Lot.
29.3530	Maturity.
29.3531	Mixed (M).
29.3532	Nested.
29.3533	No grade.
29.3534	Offtype.
29.3535	Order (case).
29.3536	Package.
29.3537	Packing.
29.3538	Quality.
29.3539	Raw.
29.3540	Resweated.
29.3541	Rework.
29.3542	Semicured.
29.3543	Side.
29.3544	Size.
29.3545	Sound.
29.3546	Special factor.
29.3547	Steam-dried.
29.3548	Stem.
29.3549	Stemmed.
29.3550	Strips.
29.3551	Subgrade.
29.3552	Sweated.
29.3553	Sweating.
29.3554	Tobacco.
29.3555	Tobacco products.
29.3556	Type.
29.3557	Type 35.
29.3558	Type 36.
29.3559	Type 37.
29.3560	Undried.
29.3561	Uniformity.
29.3562	Unsound (U).
29.3563	Unstemmed.
29.3564	Variegated.
29.3565	Wet (W).
29.3566	Width.

ELEMENTS OF QUALITY

29.3586	Elements of quality and degrees of each element.
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SIZES

29.3591	U.S. Standard Tobacco 4-Inch Sizes.
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RULES

29.3601	Rules.
29.3602	Rule 1.
29.3603	Rule 2.
29.3604	Rule 3.
29.3605	Rule 4.
29.3606	Rule 5.
29.3607	Rule 6.
29.3608	Rule 7.
29.3609	Rule 8.
29.3610	Rule 9.
29.3611	Rule 10.
29.3612	Rule 11.
29.3613	Rule 12.
29.3614	Rule 13.
29.3615	Rule 14.
29.3616	Rule 15.
29.3617	Rule 16.
29.3618	Rule 17.
29.3619	Rule 18.

Sec.	
29.3620	Rule 19.
29.3621	Rule 20.
29.3622	Rule 21.
29.3623	Rule 22.
29.3624	Rule 23.
29.3625	Rule 24.

GRADES

29.3646	Wrappers (A Group).
29.3647	Heavy Leaf (B Group).
29.3648	Thin Leaf (C Group).
29.3649	Tips (T Group).
29.3650	Lugs (X Group).
29.3651	Nondescript (N Group).
29.3652	Scrap (S Group).

SUMMARY OF STANDARD GRADES

29.3676	Summary of Standard Grades.
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APPLICABLE U.S. STANDARD SIZES

29.3681	Applicable U.S. Standard Sizes.
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KEY TO STANDARD GRADEMARKS

29.3686	Key to Standard Grademarks.
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AUTHORITY: §§ 29.3501 to 29.3686 issued under 49 Stat. 734; 7 U.S.C. 511m.

DEFINITIONS

§ 29.3501 Definitions.

As used in §§ 29.3501 to 29.3686, the words and phrases hereinafter defined shall have the indicated meanings so assigned.

§ 29.3502 Air-cured.

Tobacco cured under natural atmospheric conditions without the use of fire, except for the purpose of preventing pole-burn in damp weather.

§ 29.3503 Air-dried.

The condition of unfermented tobacco as customarily prepared for storage under natural atmospheric conditions.

§ 29.3504 Body.

The thickness and density of a leaf or the weight per unit of surface. (See Elements of Quality, § 29.3586.)

§ 29.3505 Brown colors.

A group of colors ranging from a light brown to a dark brown. These colors vary from medium to low saturation and from medium to very low brilliance. As used in these standards, the colors are expressed as light brown (L), medium brown (F), reddish brown (R), and dark brown (D).

§ 29.3506 Class.

A major division of tobacco based on method of cure or principal usage.

§ 29.3507 Clean.

Tobacco is described as clean when it contains only a normal amount of sand or soil particles. Leaves grown on the lower portion of the stalk normally contain more dirt or sand than those from higher stalk positions. (See rule 4, § 29.3605.)

§ 29.3508 Color.

The third factor of a grade based on the relative hues, saturations or chromas, and color values common to the type.

§ 29.3509 Color intensity.

The varying degree of saturation or chroma. Color intensity as applied to tobacco describes the strength or weakness of a specific color or hue. It is ap-

plicable to all colors except green. (See Elements of Quality, § 29.3586.)

§ 29.3510 Color symbols.

As applied to Dark Air-cured tobacco, color symbols are L—light brown, F—medium brown, R—reddish brown, D—dark brown, M—mixed, and G—green.

§ 29.3511 Condition.

The state of tobacco which results from the method of preparation or from the degree of fermentation. Words used to describe the condition of tobacco are: Undried, air-dried, steam-dried, sweating, sweated, and aged.

§ 29.3512 Crude.

A subdegree of maturity. Crude leaves are usually hard and slick as a result of extreme immaturity. A similar condition may result from firekill, sunburn, or sunscald. Any leaf which is crude to the extent of 20 percent or more of its leaf surface may be described as crude. (See rule 20, § 29.3621.)

§ 29.3513 Cured.

Tobacco dried of its sap by either natural or artificial processes.

§ 29.3514 Damage.

The effect of mold, must, rot, black rot, or other fungus or bacterial diseases which attack tobacco in its cured state. Tobacco having the odor of mold, must, or rot is considered damaged. (See rule 24, § 29.3625.)

§ 29.3515 Dirty.

The state of tobacco containing an abnormal amount of dirt or sand, or tobacco to which additional quantities of dirt or sand have been added. (See rule 24, § 29.3625.)

§ 29.3516 Elasticity.

The flexible, springy nature of the tobacco leaf to recover approximately its original size and shape after it has been stretched. (See Elements of Quality, § 29.3586.)

§ 29.3517 Finish.

The reflectance factor in color perception. Finish indicates the sheen or shine of the surface of a tobacco leaf. (See Elements of Quality, § 29.3586.)

§ 29.3518 Foreign matter.

Any extraneous substance or material such as stalks, suckers, straw, strings, and rubber bands. Abnormal amounts of dirt or sand are also included. (See rule 24, § 29.3625.)

§ 29.3519 Form.

The stage of preparation of tobacco such as unstemmed or stemmed.

§ 29.3520 Grade.

A subdivision of a type according to group, quality, and color.

§ 29.3521 Grademark.

A grademark normally consists of three symbols which indicate group, quality, and color. A letter is used to indicate group, a number to indicate quality, and a letter or letters to indicate color. For example, B3D means Heavy Leaf, third quality, and dark-brown color.

§ 29.3522 Green (G).

A term applied to green-colored, immature, or crude tobacco. Any leaf which has a green color affecting 20 percent or more of its leaf surface may be described as green. (See rule 19, § 29.3620.)

§ 29.3523 Group.

A division of a type covering closely related grades based on certain characteristics which are related to stalk position, body, or the general quality of the tobacco. Groups in Dark Air-cured types are: Wrappers (A), Heavy Leaf (B), Thin Leaf (C), Tips (T), Lugs (X), Non-descript (N), and Scrap (S).

§ 29.3524 Injury.

Hurt or impairment from any cause except the fungus or bacterial diseases which attack tobacco in its cured state. (See definition of Damage, § 29.3514.) Injury to tobacco may be caused by field diseases, insects, or weather conditions; insecticides, fungicides, or cell growth inhibitors; nutritional deficiencies or excesses; or improper fertilizing, harvesting, curing, or handling. Injured tobacco includes dead, burned, hail-cut, torn, broken, frostbitten, sunburned, unscaled, scorched, fire-killed, bulk-burnt, steam-burnt, house-burnt, bleached, bruised, discolored, or deformed leaves; or tobacco affected by wildfire, rust, frog-eye, mosaic, root rot, wilt, black shank, or other diseases. (See rule 15, § 29.3616.)

§ 29.3525 Leaf scrap.

A byproduct of unstemmed tobacco. Leaf scrap results from handling unstemmed tobacco and consists of loose and tangled whole or broken leaves.

§ 29.3526 Leaf structure.

The cell development of a leaf as indicated by its porosity. (See Elements of Quality, § 29.3586.)

§ 29.3527 Leaf surface.

The roughness or smoothness of the web or lamina of a tobacco leaf. Leaf surface is affected to some extent by the size and shrinkage of the veins or fibers. (See Elements of Quality, § 29.3586.)

§ 29.3528 Length.

The linear measurement of cured tobacco leaves from the butt of the midrib to the extreme tip. (See U.S. Standard Tobacco 4-Inch Sizes, § 29.3591.)

§ 29.3529 Lot.

A pile, basket, bulk, or more than one bale, case, hogshead, tierce, package, or other definite package unit.

§ 29.3530 Maturity.

The degree of ripeness. (See Elements of Quality, § 29.3586, and rule 16, § 29.3617.)

§ 29.3531 Mixed (M).

Variegated or distinctly different colors of the type mingled together. (See rules 17, § 29.3618; 18, § 29.3619.)

§ 29.3532 Nested.

Any tobacco which has been loaded, packed, or arranged to conceal foreign

matter or tobacco of inferior grade, quality, or condition. Nested includes: (a) Any lot of tobacco which contains foreign matter or damaged, injured, tangled, or other inferior tobacco, any of which cannot be readily detected upon inspection because of the way the lot is packed or arranged; (b) any lot of tied tobacco which contains foreign matter in the inner portions of the hands or which contains foreign matter in the heads under the tie leaves; (c) any lot of tied tobacco in which the leaves on the outside of the hands are placed or arranged to conceal inferior quality leaves on the inside of the hands or which contains wet tobacco or tobacco of lower quality in the heads under the tie leaves; and (d) any lot of tobacco which consists of distinctly different grades, qualities, or conditions and which is stacked or arranged in layers with the same kinds together so that the tobacco in the lower layer or layers is distinctly inferior in grade, quality, or condition from the tobacco in the top or upper layers. (See rule 24, § 29.3625.)

§ 29.3533 No Grade.

A designation applied to a lot of tobacco classified as nested, offtype, rework, or semicured; tobacco that is damaged 20 percent or more, abnormally dirty, extremely wet or watered, contains foreign matter, or has an odor foreign to the type. (See rule 24, § 29.3625.)

§ 29.3534 Offtype.

Tobacco of distinctly different characteristics which cannot be classified as Dark Air-cured, U.S. Type 35, 36, or 37. (See rule 24, § 29.3625.)

§ 29.3535 Order (case).

The state of tobacco with respect to its moisture content.

§ 29.3536 Package.

A hogshead, tierce, case, bale, or other securely enclosed parcel or bundle.

§ 29.3537 Packing.

A lot of tobacco consisting of a number of packages submitted as one definite unit for sampling or inspecting. It is represented to contain the same kind of tobacco and has a common identification number or mark on each package.

§ 29.3538 Quality.

A division of a group or the second factor of a grade based on the relative degree of one or more elements of quality in tobacco.

§ 29.3539 Raw.

Freshly harvested tobacco or tobacco as it appears between the time of harvesting and the beginning of the curing process.

§ 29.3540 Resweated.

The condition of tobacco which has passed through a second fermentation under abnormally high temperatures or re-fermented with a relatively high percentage of moisture. Resweated includes tobacco which has been dipped or re-conditioned after its first fermentation and put through a forced or artificial sweat.

§ 29.3541 Rework.

Any lot of tobacco which needs to be resorted or otherwise reworked to prepare it properly for market in the manner which is customary in the type area, including: (a) Tobacco which is so mixed that it cannot be classified properly in any grade of the type, because the lot contains a substantial quantity of two or more distinctly different grades which should be separated by sorting; (b) tobacco which contains an abnormally large quantity of foreign matter or an unusual number of muddy or extremely dirty leaves which should be removed; and (c) tobacco not tied in hands, not packed straight, not properly tied, or otherwise not properly prepared for market. (See rule 24, § 29.3625.)

§ 29.3542 Semicured.

Tobacco in the process of being cured or which is partially but not thoroughly cured. Semicured includes tobacco which contains fat stems, wet butts, swelled stems, frozen tobacco, and tobacco having frozen stems or stems that have not been thoroughly dried in the curing process. (See rule 24, § 29.3625.)

§ 29.3543 Side.

A certain phase of quality, color, or length as contrasted with some other phase of quality, color, or length; or any peculiar characteristic of tobacco.

§ 29.3544 Size.

The length of tobacco leaves. (See U.S. Standard Tobacco 4-Inch Sizes, § 29.3591.)

§ 29.3545 Sound.

Free of damage.

§ 29.3546 Special factor.

A symbol or term authorized to designate a peculiar side or characteristic which tends to modify a grade. (See rules 21, § 29.3622; 22, § 29.3623; 23, § 29.3624.)

§ 29.3547 Steam-dried.

The condition of unfermented tobacco as customarily prepared for storage by means of a redrying machine or other steam-conditioning equipment.

§ 29.3548 Stem.

The midrib or large central vein of a tobacco leaf.

§ 29.3549 Stemmed.

A form of tobacco, including strips and strip scrap, from which the stems or midribs have been removed.

§ 29.3550 Strips.

The sides of a tobacco leaf from which the stem has been removed or a lot of tobacco composed of strips.

§ 29.3551 Subgrade.

Any grade modified by a special factor symbol.

§ 29.3552 Sweated.

The condition of tobacco which has passed through one or more fermentations natural to tobacco packed with a normal percentage of moisture. This condition is sometimes described as aged.

RULES AND REGULATIONS

§ 29.3553 Sweating.

The condition of tobacco in the process of fermentation.

§ 29.3554 Tobacco.

Tobacco as it appears between the time it is cured and stripped from the stalk, or primed and cured, and the time it enters into the different manufacturing processes. The acts of stemming, sweating, and conditioning are not regarded as manufacturing processes. Tobacco, as used in these standards, does not include manufactured or semimanufactured products, stems, cuttings, clippings, trimmings, siftings, or dust.

§ 29.3555 Tobacco products.

Manufactured tobacco, including cigarettes, cigars, smoking tobacco, chewing tobacco, and snuff, which is subject to Internal Revenue tax.

§ 29.3556 Type.

A division of a class of tobacco having certain common characteristics and closely related grades. Tobacco which has the same characteristics and corresponding qualities, colors, and lengths is classified as one type, regardless of any factors of historical or geographical nature which cannot be determined by an examination of the tobacco.

§ 29.3557 Type 35.

That type of air-cured tobacco commonly known as One Sucker Air-cured, Kentucky-Tennessee-Indiana One Sucker, or Dark Air-cured One Sucker, including the upper Cumberland District One Sucker, and produced principally in northern Tennessee, south central Kentucky, and southern Indiana.

§ 29.3558 Type 36.

That type of air-cured tobacco commonly known as Green River, Green River Air-cured, or Dark Air-cured of the Henderson and Owensboro Districts, and produced principally in the Green River section of Kentucky.

§ 29.3559 Type 37.

That type of air-cured or sun-cured tobacco commonly known as Virginia Sun-cured, Virginia Sun and Air-cured, or Dark Air-cured of Virginia, and produced principally in the central section of Virginia north of the James River.

§ 29.3560 Undried.

The condition of unfermented tobacco which has not been air-dried or steam-dried.

§ 29.3561 Uniformity.

An element of quality which describes the consistency of a lot of tobacco as it is prepared for market. Uniformity is expressed in grade specifications as a percentage. The percentage is applicable to group, quality, and color. (See rule 14, § 29.3615.)

§ 29.3562 Unsound (U).

Damaged under 20 percent. (See rule 21, § 29.3622.)

§ 29.3563 Unstemmed.

A form of tobacco, including whole leaf and leaf scrap, from which the stems or midribs have not been removed.

§ 29.3564 Variegated.

Any leaf of which 20 percent or more of its leaf surface is off brown, grayish, mottled, or bleached and does not blend with the normal colors of the type. (See rules 17, § 29.3618; 18, § 29.3619.)

§ 29.3565 Wet (W).

Any sound tobacco containing excessive moisture to the extent that it is in unsafe- or doubtful-keeping order. Wet applies to any tobacco which is not damaged but which is likely to damage if treated in the customary manner. (See rule 22, § 29.3623.) (For extremely wet or watered tobacco, see rule 24, § 29.3625.)

§ 29.3566 Width.

The relative breadth of a tobacco leaf expressed in relation to its length. (See Elements of Quality, § 29.3586.)

ELEMENTS OF QUALITY

§ 29.3586 Elements of quality and degrees of each element.

These standardized words or terms are used to describe tobacco quality and to assist in interpreting grade specifications. Tobacco attributes or characteristics which constitute quality are designated as elements of quality. The range within each element is expressed by the use of words or terms designated as degrees. These several degrees are arranged to show their relative value, but the actual value of each degree varies with type, group, and grade.

Elements	Degrees				
Maturity.....	Immature.....	Underripe.....	Mature.....	Ripe.....	
Body.....		Thin.....	Medium.....	Heavy.....	
Leaf structure.....		Close.....	Firm.....	Open.....	
Leaf surface.....		Rough.....	Crep.....	Smooth.....	
Oil.....		Lean.....	Oily.....	Rich.....	
Finish.....		Dull.....	Normal.....	Clear.....	
Color intensity.....		Fale.....	Moderate.....	Deep.....	
Elasticity.....		Inelastic.....	Semielastic.....	Elastic.....	
Width.....		Narrow.....	Normal.....	Spready.....	
Uniformity.....		()	()	()	
Injury tolerance.....		()	()	()	

¹Expressed in percentage.

SIZES

§ 29.3591 U.S. Standard Tobacco 4-Inch Sizes.¹

Inches	U.S. sizes	Approximate centimeters
32.....	47	80
28.....	46	70
24.....	45	60
20.....	44	50
16.....	43	40
12.....	42	30
8.....	41	20
4.....	40	10
0.....		0

RULES

§ 29.3601 Rules.

The application of §§ 29.3501 to 29.3566, § 29.3591, §§ 29.3646 to 29.3652, and § 29.3681 shall be in accordance with the following rules.

§ 29.3602 Rule 1.

Each grade shall be treated as a subdivision of a particular type. When the grade is stated in an inspection certificate, the type also shall be stated.

§ 29.3603 Rule 2.

The determination of a grade shall be based upon a thorough examination of a

¹Regular 4-inch sizes are used to state length when this factor is not sufficiently important to use 1- or 2-inch sizes. Seventy-five percent of the leaves in a lot or package of any 4-inch size must fall within the range for that size. For example: If a lot or package of tobacco is represented to be of U.S. size 44, then 75 percent of the leaves of such lot or package must be between 16 and 20 inches (or 40 and 50 centimeters) in length.

lot of tobacco or of an official sample of the lot.

§ 29.3604 Rule 3.

In drawing an official sample from a hoghead or other package of tobacco, three or more breaks shall be made at such points and in such manner as the inspector or sampler may find necessary to determine the kinds of tobacco and the percentage of each kind contained in the lot. All breaks shall be made so that the tobacco contained in the center of the package is visible to the sampler. Tobacco shall be drawn from at least three breaks from which a representative sample of not less than six hands shall be selected. The sample shall include tobacco of each different group, quality, color, length, and kind found in the lot in proportion to the quantities of each contained in the lot.

§ 29.3605 Rule 4.

All standard grades must be clean.

§ 29.3606 Rule 5.

The grade assigned to any lot of tobacco shall be a true representation of the tobacco at the time of inspection and certification. If, at any time, it is found that a lot of tobacco does not comply with the specifications of the grade previously assigned it shall not thereafter be represented as such grade.

§ 29.3607 Rule 6.

A lot of tobacco on the marginal line between two colors shall be placed in the color with which it best corresponds with respect to body or other associated elements of quality.

§ 29.3608 Rule 7.

Any lot of tobacco which meets the specifications of two grades shall be placed in the higher grade. Any lot of tobacco on the marginal line between two grades shall be placed in the lower grade.

§ 29.3609 Rule 8.

A lot of tobacco meets the specifications of a grade when it is not lower in any degree of any element of quality than the minimum specifications of such grade.

§ 29.3610 Rule 9.

In determining the grade of a lot of tobacco, the lot as a whole shall be considered. Minor irregularities which do not affect over one percent of the tobacco shall be overlooked.

§ 29.3611 Rule 10.

Any special factor approved by the Director of the Tobacco Division, Consumer and Marketing Service, may be used after a grademark to show a peculiar side or characteristic of the tobacco which tends to modify the grade.

§ 29.3612 Rule 11.

Interpretations, the use of specifications, and the meaning of the terms shall be in accordance with determinations or clarifications made by the Chief of the Standards and Testing Branch and approved by the Director.

§ 29.3613 Rule 12.

The use of any grade may be restricted by the Director during any marketing season, when it is found that the grade is not needed or appears in insufficient volume to justify its use.

§ 29.3614 Rule 13.

Length shall be stated in connection with each grade of the A, B, and C groups and may be stated in connection with grades of other groups. For this purpose, the regular 4-inch series of U.S. standard tobacco sizes shall be used. (See Applicable U.S. Standard Sizes, § 29.3681.)

§ 29.3615 Rule 14.

Degrees of uniformity shall be expressed in terms of percentages. The percentages shall govern the portion of a lot which must meet the specifications of the grade. The minor portion must be closely related but may be of a different group, quality, and color from the major portion. These percentages shall not affect limitations established by other rules.

§ 29.3616 Rule 15.

The application of injury as an element of quality shall be expressed in terms of a percentage of tolerance. The appraisal of injury shall be based upon the percentage of affected leaf surface or the degree of injury. In appraising injury, consideration shall be given to the normal characteristics of the group as related to injury.

§ 29.3617 Rule 16.

Normal injury associated with ripeness shall be excluded from injury tolerance except when such injury is consid-

ered detrimental to the quality of the tobacco.

§ 29.3618 Rule 17.

Any lot of tobacco which is not green but contains over 30 percent of variegated leaves shall be described as "variegated" and designated by the color symbol "M." Variegated leaves may be included in any group to the following extent: In the third quality, 10 percent; in the fourth quality, 20 percent; and in the fifth quality, 30 percent.

§ 29.3619 Rule 18.

Any lot of tobacco of the B, C, T, or X groups shall be classified as "mixed" and designated by the color symbol "M" when it is not green but contains (a) over 30 percent of colors distinctly different from the major color or (b) over 30 percent of a combination of variegated and colors distinctly different from the major mingled together.

§ 29.3620 Rule 19.

Any lot of tobacco containing 20 percent or more of green leaves or any lot which is not crude but contains 20 percent or more of green and crude combined shall be designated by the color symbol "G."

§ 29.3621 Rule 20.

Crude leaves shall not be included in any grade of any color except the fourth and fifth qualities of the B, C, T, and X groups in green color. Any lot containing 20 percent or more of crude leaves shall be designated as Nondescript.

§ 29.3622 Rule 21.

Tobacco damaged under 20 percent but which otherwise meets the specifications of a grade shall be treated as a subgrade by placing the special factor "U" after the grademark. Tobacco damaged 20 percent or more shall be designated "No-G."

§ 29.3623 Rule 22.

Sound tobacco that is wet or in doubtful-keeping order but which otherwise meets the specifications of a grade shall be treated as a subgrade by placing the special factor "W" after the grademark. This special factor does not apply to tobacco designated "No-G."

§ 29.3624 Rule 23.

Special factors "BH" (big heads) and "BL" (broad leaf) shall be used as follows: "BH" in types 35 and 36 to designate tobacco tied in extremely big hands and "BL" in type 35 to designate broad leaf tobacco.

§ 29.3625 Rule 24.

Tobacco shall be designated as No Grade, using the grademark "No-G," when it is dirty, nested, offtype, semi-cured, damaged 20 percent or more, extremely wet or watered, or when it needs to be reworked, contains foreign matter, or has an odor foreign to the type.

GRADES

§ 29.3646 Wrappers (A Group).

This group consists of leaves from the Heavy Leaf and the Thin Leaf groups. Cured leaves of the A group are very

elastic, have small- to medium-sized and blending fibers, and show a low percentage of injury affecting wrapper yield.

*U.S. Grade names, minimum specifications, grades and tolerances***A1F Choice Quality Medium-brown Wrappers.**

Ripe, medium body, open leaf structure, smooth, rich in oil, clear finish, deep color intensity, elastic, spready, and 20 percent of leaves not lower than B2 or C2.

A2F Fine Quality Medium-brown Wrappers.

Ripe, medium body, open leaf structure, smooth, rich in oil, clear finish, deep color intensity, elastic, spready, and 30 percent of leaves not lower than B2 or C2.

A3F Good Quality Medium-brown Wrappers.

Ripe, medium body, open leaf structure, smooth, oily, clear finish, deep color intensity, elastic, normal width, and 40 percent of leaves not lower than B3 or C3.

A1R Choice Quality Reddish-brown Wrappers.

Ripe, medium body, open leaf structure, smooth, rich in oil, clear finish, deep color intensity, elastic, spready, and 20 percent of leaves not lower than B2 or C2.

A2R Fine Quality Reddish-brown Wrappers.

Ripe, medium body, open leaf structure, smooth, rich in oil, clear finish, deep color intensity, elastic, spready, and 30 percent of leaves not lower than B2 or C2.

A3R Good Quality Reddish-brown Wrappers.

Ripe, medium body, open leaf structure, smooth, oily, clear finish, deep color intensity, elastic, normal width, and 40 percent of leaves not lower than B3 or C3.

§ 29.3647 Heavy Leaf (B Group).

This group consists of leaves which are medium to heavy in body and show little or no ground injury.

*U.S. Grade names, minimum specifications, grades and tolerances***B1F Choice Quality Medium-brown Heavy Leaf.**

Ripe, medium body, open leaf structure, smooth, rich in oil, clear finish, deep color intensity, semielastic, spready, 90 percent uniform, and 10 percent injury tolerance.

B2F Fine Quality Medium-brown Heavy Leaf.

Ripe, medium body, open leaf structure, smooth, rich in oil, clear finish, deep color intensity, semielastic, spready, 85 percent uniform, and 15 percent injury tolerance.

B3F Good Quality Medium-brown Heavy Leaf.

Mature, medium body, firm leaf structure, crepy, oily, normal finish, moderate color intensity, semielastic, normal width, 80 percent uniform, and 20 percent injury tolerance.

B4F Fair Quality Medium-brown Heavy Leaf.

Mature, medium body, close leaf structure, rough, lean in oil, dull finish, pale color intensity, inelastic, narrow, 70 percent uniform, and 30 percent injury tolerance.

B5F Low Quality Medium-brown Heavy Leaf.

Underripe, medium body, close leaf structure, rough, lean in oil, dull finish, pale color intensity, inelastic, narrow, 60 percent uniform, and 40 percent injury tolerance.

U.S. Grade names, minimum specifications, grades and tolerances

- B1R** Choice Quality Reddish-brown Heavy Leaf.
Ripe, heavy, open leaf structure, smooth, rich in oil, clear finish, deep color intensity, semielastic, spready, 90 percent uniform, and 10 percent injury tolerance.
- B2R** Fine Quality Reddish-brown Heavy Leaf.
Ripe, heavy, open leaf structure, smooth, rich in oil, clear finish, deep color intensity, semielastic, spready, 85 percent uniform, and 15 percent injury tolerance.
- B3R** Good Quality Reddish-brown Heavy Leaf.
Mature, heavy, firm leaf structure, crepy, oily, normal finish, moderate color intensity, semielastic, normal width, 80 percent uniform, and 20 percent injury tolerance.
- B4R** Fair Quality Reddish-brown Heavy Leaf.
Mature, heavy, close leaf structure, rough, lean in oil, dull finish, pale color intensity, inelastic, narrow, 70 percent uniform, and 30 percent injury tolerance.
- B5R** Low Quality Reddish-brown Heavy Leaf.
Underripe, heavy, close leaf structure, rough, lean in oil, dull finish, pale color intensity, inelastic, narrow, 60 percent uniform, and 40 percent injury tolerance.
- B1D** Choice Quality Dark-brown Heavy Leaf.
Ripe, heavy, open leaf structure, smooth, rich in oil, normal finish, deep color intensity, semielastic, spready, 90 percent uniform, and 10 percent injury tolerance.
- B2D** Fine Quality Dark-brown Heavy Leaf.
Ripe, heavy, open leaf structure, smooth, rich in oil, normal finish, deep color intensity, semielastic, spready, 85 percent uniform, and 15 percent injury tolerance.
- B3D** Good Quality Dark-brown Heavy Leaf.
Mature, heavy, firm leaf structure, crepy, oily, normal finish, moderate color intensity, semielastic, normal width, 80 percent uniform, and 20 percent injury tolerance.
- B4D** Fair Quality Dark-brown Heavy Leaf.
Mature, heavy, close leaf structure, rough, lean in oil, dull finish, pale color intensity, inelastic, narrow, 70 percent uniform, and 30 percent injury tolerance.
- B5D** Low Quality Dark-brown Heavy Leaf.
Underripe, heavy, close leaf structure, rough, lean in oil, dull finish, pale color intensity, inelastic, narrow, 60 percent uniform, and 40 percent injury tolerance.
- B3M** Good Quality Mixed Heavy Leaf.
Mature, medium body, firm leaf structure, crepy, oily, normal finish, moderate color intensity, semielastic, normal width, 80 percent uniform, and 20 percent injury tolerance.
- B4M** Fair Quality Mixed Heavy Leaf.
Mature, medium body, close leaf structure, rough, lean in oil, dull finish, pale color intensity, inelastic, narrow, 70 percent uniform, and 30 percent injury tolerance.
- B5M** Low Quality Mixed Heavy Leaf.
Underripe, medium body, close leaf structure, rough, lean in oil, dull finish, pale color intensity, inelastic, narrow, 60 percent uniform, and 40 percent injury tolerance.
- B3G** Good Quality Green Heavy Leaf.
Underripe, heavy, firm leaf structure, crepy, oily, normal finish, semielastic, normal width, 80 percent uniform, and 20 percent injury tolerance.

U.S. Grade names, minimum specifications, grades and tolerances

- B4G** Fair Quality Green Heavy Leaf.
Immature, medium body, close leaf structure, rough, lean in oil, dull finish, inelastic, narrow, 70 percent uniform, and 30 percent injury tolerance.
- B5G** Low Quality Green Heavy Leaf.
Immature, medium body, close leaf structure, rough, lean in oil, dull finish, inelastic, narrow, 60 percent uniform, and 40 percent injury tolerance.

§ 29.3648 Thin Leaf (C Group).

This group consists of leaves that are thin to medium in body and show little or no ground injury.

U.S. Grade names, minimum specifications, grades and tolerances

- C1L** Choice Quality Light-brown Thin Leaf.
Ripe, thin, open leaf structure, smooth, oily, clear finish, deep color intensity, semielastic, spready, 90 percent uniform, and 10 percent injury tolerance.
- C2L** Fine Quality Light-brown Thin Leaf.
Ripe, thin, open leaf structure, smooth, oily, clear finish, deep color intensity, semielastic, spready, 85 percent uniform, and 15 percent injury tolerance.
- C3L** Good Quality Light-brown Thin Leaf.
Mature, thin, firm leaf structure, crepy, oily, normal finish, moderate color intensity, semielastic, normal width, 80 percent uniform, and 20 percent injury tolerance.
- C4L** Fair Quality Light-brown Thin Leaf.
Mature, thin, close leaf structure, rough, lean in oil, dull finish, pale color intensity, inelastic, narrow, 70 percent uniform, and 30 percent injury tolerance.
- C5L** Low Quality Light-brown Thin Leaf.
Underripe, thin, close leaf structure, rough, lean in oil, dull finish, pale color intensity, inelastic, narrow, 60 percent uniform, and 40 percent injury tolerance.
- C1F** Choice Quality Medium-brown Thin Leaf.
Ripe, thin, open leaf structure, smooth, rich in oil, clear finish, deep color intensity, semielastic, spready, 90 percent uniform, and 10 percent injury tolerance.
- C2F** Fine Quality Medium-brown Thin Leaf.
Ripe, thin, open leaf structure, smooth, rich in oil, clear finish, deep color intensity, semielastic, spready, 85 percent uniform, and 15 percent injury tolerance.
- C3F** Good Quality Medium-brown Thin Leaf.
Mature, thin, firm leaf structure, crepy, oily, normal finish, moderate color intensity, semielastic, normal width, 80 percent uniform, and 20 percent injury tolerance.
- C4F** Fair Quality Medium-brown Thin Leaf.
Mature, thin, close leaf structure, rough, lean in oil, dull finish, pale color intensity, inelastic, narrow, 70 percent uniform, and 30 percent injury tolerance.
- C5F** Low Quality Medium-brown Thin Leaf.
Underripe, thin, close leaf structure, rough, lean in oil, dull finish, pale color intensity, inelastic, narrow, 60 percent uniform, and 40 percent injury tolerance.
- C1R** Choice Quality Reddish-brown Thin Leaf.
Ripe, thin, open leaf structure, smooth, rich in oil, clear finish, deep color intensity, semielastic, spready, 90 percent uniform, and 10 percent injury tolerance.

U.S. Grade names, minimum specifications, grades and tolerances

- C2R** Fine Quality Reddish-brown Thin Leaf.
Ripe, thin, open leaf structure, smooth, rich in oil, clear finish, deep color intensity, semielastic, spready, 85 percent uniform, and 15 percent injury tolerance.
- C3R** Good Quality Reddish-brown Thin Leaf.
Mature, thin, firm leaf structure, crepy, oily, normal finish, moderate color intensity, semielastic, normal width, 80 percent uniform, and 20 percent injury tolerance.
- C4R** Fair Quality Reddish-brown Thin Leaf.
Mature, thin, close leaf structure, rough, lean in oil, dull finish, pale color intensity, inelastic, narrow, 70 percent uniform, and 30 percent injury tolerance.
- C5R** Low Quality Reddish-brown Thin Leaf.
Underripe, thin, close leaf structure, rough, lean in oil, dull finish, pale color intensity, inelastic, narrow, 60 percent uniform, and 40 percent injury tolerance.
- C3M** Good Quality Mixed Thin Leaf.
Mature, thin, firm leaf structure, crepy, oily, normal finish, moderate color intensity, semielastic, normal width, 80 percent uniform, and 20 percent injury tolerance.
- C4M** Fair Quality Mixed Thin Leaf.
Mature, thin, close leaf structure, rough, lean in oil, dull finish, pale color intensity, inelastic, narrow, 70 percent uniform, and 30 percent injury tolerance.
- C5M** Low Quality Mixed Thin Leaf.
Underripe, thin, close leaf structure, rough, lean in oil, dull finish, pale color intensity, inelastic, narrow, 60 percent uniform, and 40 percent injury tolerance.
- C3G** Good Quality Green Thin Leaf.
Underripe, medium body, firm leaf structure, crepy, oily, normal finish, semielastic, normal width, 80 percent uniform, and 20 percent injury tolerance.
- C4G** Fair Quality Green Thin Leaf.
Immature, thin, close leaf structure, rough, lean in oil, dull finish, inelastic, narrow, 70 percent uniform, and 30 percent injury tolerance.
- C5G** Low Quality Green Thin Leaf.
Immature, thin, close leaf structure, rough, lean in oil, dull finish, inelastic, narrow, 60 percent uniform, and 40 percent injury tolerance.

§ 29.3649 Tips (T Group).

This group consists of leaves usually grown near the top of the stalk and are too short to meet the specifications for U.S. size 44.

U.S. Grade names, minimum specifications, grades and tolerances

- T3F** Good Quality Medium-brown Tips.
Mature, medium body, firm leaf structure, crepy, oily, normal finish, moderate color intensity, semielastic, normal width, 80 percent uniform, and 20 percent injury tolerance.
- T4F** Fair Quality Medium-brown Tips.
Mature, thin, close leaf structure, rough, lean in oil, dull finish, pale color intensity, inelastic, narrow, 70 percent uniform, and 30 percent injury tolerance.
- T5F** Low Quality Medium-brown Tips.
Underripe, thin, close leaf structure, rough, lean in oil, dull finish, pale color intensity, inelastic, narrow, 60 percent uniform, and 40 percent injury tolerance.

U.S. Grade names, minimum specifications, grades and tolerances

- T3R Good Quality Reddish-brown Tips.**
Mature, medium body, firm leaf structure, crepy, oily, normal finish, moderate color intensity, semielastic, normal width, 80 percent uniform, and 20 percent injury tolerance.
- T4R Fair Quality Reddish-brown Tips.**
Mature, thin, close leaf structure, rough, lean in oil, dull finish, pale color intensity, inelastic, narrow, 70 percent uniform, and 30 percent injury tolerance.
- T5R Low Quality Reddish-brown Tips.**
Underripe, thin, close leaf structure, rough, lean in oil, dull finish, pale color intensity, inelastic, narrow, 60 percent uniform, and 40 percent injury tolerance.
- T3D Good Quality Dark-brown Tips.**
Mature, medium body, firm leaf structure, crepy, oily, normal finish, moderate color intensity, semielastic, normal width, 80 percent uniform, and 20 percent injury tolerance.
- T4D Fair Quality Dark-brown Tips.**
Mature, thin, close leaf structure, rough, lean in oil, dull finish, pale color intensity, inelastic, narrow, 70 percent uniform, and 30 percent injury tolerance.
- T5D Low Quality Dark-brown Tips.**
Underripe, thin, close leaf structure, rough, lean in oil, dull finish, pale color intensity, inelastic, narrow, 60 percent uniform, and 40 percent injury tolerance.
- T3M Good Quality Mixed Tips.**
Mature, medium body, firm leaf structure, crepy, oily, normal finish, moderate color intensity, semielastic, normal width, 80 percent uniform, and 20 percent injury tolerance.
- T4M Fair Quality Mixed Tips.**
Mature, thin, close leaf structure, rough, lean in oil, dull finish, pale color intensity, inelastic, narrow, 70 percent uniform, and 30 percent injury tolerance.
- T5M Low Quality Mixed Tips.**
Underripe, thin, close leaf structure, rough, lean in oil, dull finish, pale color intensity, inelastic, narrow, 60 percent uniform, and 40 percent injury tolerance.
- T3G Good Quality Green Tips.**
Underripe, medium body, firm leaf structure, crepy, oily, normal finish, semielastic, normal width, 80 percent uniform, and 20 percent injury tolerance.
- T4G Fair Quality Green Tips.**
Immature, thin, close leaf structure, rough, lean in oil, dull finish, inelastic, narrow, 70 percent uniform, and 30 percent injury tolerance.
- T5G Low Quality Green Tips.**
Immature, thin, close leaf structure, rough, lean in oil, dull finish, inelastic, narrow, 60 percent uniform, and 40 percent injury tolerance.

§ 29.3650 Lugs (X Group).

This group consists of leaves that normally grow on the lower portion of the stalk. Leaves of the X group usually have a high degree of maturity and show ground and other injury characteristic of the group.

U.S. Grade names, minimum specifications, grades and tolerances

- X1L Choice Quality Light-brown Lugs.**
Ripe, thin, open leaf structure, smooth, oily, clear finish, deep color intensity, semielastic, normal width, 90 percent uniform, and 10 percent injury tolerance.

U.S. Grade names, minimum specifications, grades and tolerances

- X2L Fine Quality Light-brown Lugs.**
Ripe, thin, open leaf structure, smooth, oily, clear finish, deep color intensity, semielastic, normal width, 85 percent uniform, and 15 percent injury tolerance.
- X3L Good Quality Light-brown Lugs.**
Mature, thin, firm leaf structure, crepy, lean in oil, normal finish, moderate color intensity, inelastic, narrow, 80 percent uniform, and 20 percent injury tolerance.
- X4L Fair Quality Light-brown Lugs.**
Mature, thin, close leaf structure, rough, lean in oil, dull finish, pale color intensity, inelastic, narrow, 70 percent uniform, and 30 percent injury tolerance.
- X5L Low Quality Light-brown Lugs.**
Underripe, thin, close leaf structure, rough, lean in oil, dull finish, pale color intensity, inelastic, narrow, 60 percent uniform, and 40 percent injury tolerance.
- X1F Choice Quality Medium-brown Lugs.**
Ripe, thin, open leaf structure, smooth, oily, clear finish, deep color intensity, semielastic, normal width, 90 percent uniform, and 10 percent injury tolerance.
- X2F Fine Quality Medium-brown Lugs.**
Ripe, thin, open leaf structure, smooth, oily, clear finish, deep color intensity, semielastic, normal width, 85 percent uniform, and 15 percent injury tolerance.
- X3F Good Quality Medium-brown Lugs.**
Mature, thin, firm leaf structure, crepy, lean in oil, normal finish, moderate color intensity, inelastic, narrow, 80 percent uniform, and 20 percent injury tolerance.
- X4F Fair Quality Medium-brown Lugs.**
Mature, thin, close leaf structure, rough, lean in oil, dull finish, pale color intensity, inelastic, narrow, 70 percent uniform, and 30 percent injury tolerance.
- X5F Low Quality Medium-brown Lugs.**
Underripe, thin, close leaf structure, rough, lean in oil, dull finish, pale color intensity, inelastic, narrow, 60 percent uniform, and 40 percent injury tolerance.
- X1R Choice Quality Reddish-brown Lugs.**
Ripe, medium body, open leaf structure, smooth, oily, clear finish, deep color intensity, semielastic, normal width, 90 percent uniform, and 10 percent injury tolerance.
- X2R Fine Quality Reddish-brown Lugs.**
Ripe, medium body, open leaf structure, smooth, oily, clear finish, deep color intensity, semielastic, normal width, 85 percent uniform, and 15 percent injury tolerance.
- X3R Good Quality Reddish-brown Lugs.**
Mature, medium body, firm leaf structure, crepy, lean in oil, normal finish, moderate color intensity, inelastic, narrow, 80 percent uniform, and 20 percent injury tolerance.
- X4R Fair Quality Reddish-brown Lugs.**
Mature, thin, close leaf structure, rough, lean in oil, dull finish, pale color intensity, inelastic, narrow, 70 percent uniform, and 30 percent injury tolerance.
- X5R Low Quality Reddish-brown Lugs.**
Underripe, thin, close leaf structure, rough, lean in oil, dull finish, pale color intensity, inelastic, narrow, 60 percent uniform, and 40 percent injury tolerance.

U.S. Grade names, minimum specifications, grades and tolerances

- X3D Good Quality Dark-brown Lugs.**
Mature, medium body, firm leaf structure, crepy, lean in oil, normal finish, moderate color intensity, inelastic, narrow, 80 percent uniform, and 20 percent injury tolerance.
- X4D Fair Quality Dark-brown Lugs.**
Mature, thin, close leaf structure, rough, lean in oil, dull finish, pale color intensity, inelastic, narrow, 70 percent uniform, and 30 percent injury tolerance.
- X5D Low Quality Dark-brown Lugs.**
Underripe, thin, close leaf structure, rough, lean in oil, dull finish, pale color intensity, inelastic, narrow, 60 percent uniform, and 40 percent injury tolerance.
- X3M Good Quality Mixed Lugs.**
Mature, thin, firm leaf structure, crepy, lean in oil, normal finish, moderate color intensity, inelastic, narrow, 80 percent uniform, and 20 percent injury tolerance.
- X4M Fair Quality Mixed Lugs.**
Mature, thin, close leaf structure, rough, lean in oil, dull finish, pale color intensity, inelastic, narrow, 70 percent uniform, and 30 percent injury tolerance.
- X5M Low Quality Mixed Lugs.**
Underripe, thin, close leaf structure, rough, lean in oil, dull finish, pale color intensity, inelastic, narrow, 60 percent uniform, and 40 percent injury tolerance.
- X3G Good Quality Green Lugs.**
Underripe, medium body, firm leaf structure, crepy, lean in oil, normal finish, inelastic, narrow, 80 percent uniform, and 20 percent injury tolerance.
- X4G Fair Quality Green Lugs.**
Immature, thin, close leaf structure, rough, lean in oil, dull finish, inelastic, narrow, 70 percent uniform, and 30 percent injury tolerance.
- X5G Low Quality Green Lugs.**
Immature, thin, close leaf structure, rough, lean in oil, dull finish, inelastic, narrow, 60 percent uniform, and 40 percent injury tolerance.

§ 29.3651 Nondescript (N Group).

Extremely common tobacco which does not meet the minimum specifications or which exceeds the tolerance of the lower grade of any other group except Scrap.

U.S. Grade names, minimum specifications, grades and tolerances

- N1L First Quality Light-colored Nondescript.**
Thin to medium body and 60 percent injury tolerance.
- N2L Second Quality Light-colored Nondescript.**
Thin to medium body and over 60 percent injury tolerance.
- N1R First Quality Dark-colored Nondescript.**
Thin to heavy body and 60 percent injury tolerance.
- N2R Second Quality Dark-colored Nondescript.**
Thin to heavy body and over 60 percent injury tolerance.
- N1G First Quality Crude Green Nondescript.**
60 percent crude leaves or injury tolerance.
- N2G Second Quality Crude Green Nondescript.**
Over 60 percent crude leaves or injury tolerance.

§ 29.3652 Scrap (S Group).

A byproduct of stemmed and unstemmed tobacco. Scrap accumulates

from handling tobacco in farm buildings, warehouses, packing and conditioning plants, and stemmeries.

U.S. grade
S *Grade name and specifications*

Loose, tangled, whole, or broken unstemmed leaves; or the web portions of tobacco leaves reduced to scrap by any process.

SUMMARY OF STANDARD GRADES

§ 29.3676 Summary of standard grades.

6 Grades of Wrappers

A1F A1R
A2F A2R
A3F A3R

21 Grades of Heavy Leaf

B1F B1R B1D
B2F B2R B2D
B3F B3R B3D B3M B3G
B4F B4R B4D B4M B4G
B5F B5R B5D B5M B5G

21 Grades of Thin Leaf

C1L C1F C1R
C2L C2F C2R
C3L C3F C3R C3M C3G
C4L C4F C4R C4M C4G
C5L C5F C5R C5M C5G

15 Grades of Tips

T3F T3R T3D T3M T3G
T4F T4R T4D T4M T4G
T5F T5R T5D T5M T5G

24 Grades of Lugs

X1L X1F X1R
X2L X2F X2R
X3L X3F X3R X3D X3M X3G
X4L X4F X4R X4D X4M X4G
X5L X5F X5R X5D X5M X5G

6 Grades of Nondescript

N1L N1R N1G
N2L N2R N2G

1 Grade of Scrap

S

Special factors "U" and "W" may be applied to all grades in all types. "BH" to grades in types 35 and 36, and "BL" to type 35. Tobacco not covered by the standard grades is designated "No-G."

APPLICABLE U.S. STANDARD SIZES

§ 29.3681 Applicable U.S. standard sizes.

Types 35 and 36

A1-A2-A3 45, 46, 47
B1-B2-B3-B4-B5 44, 45, 46, 47
C1-C2-C3-C4-C5 44, 45, 46, 47

Type 37

A1-A2-A3 44, 45, 46
B1-B2-B3-B4-B5 44, 45, 46
C1-C2-C3-C4-C5 44, 45, 46

KEY TO STANDARD GRADEMARKS

§ 29.3686 Key to standard grademarks.

Group	Qualities	Colors
A—Wrappers	1—Choice	L—Light brown
B—Heavy Leaf	2—Fine	F—Medium brown
C—Thin Leaf	3—Good	R—Reddish brown
T—Tips	4—Fair	D—Dark brown
X—Lugs	5—Low	M—Mixed
N—Nondescript		G—Green
S—Scrap		

[F.R. Doc. 65-7764; Filed, July 22, 1965; 8:47 a.m.]

Chapter IX—Consumer and Marketing Service (Marketing Agreements and Orders; Fruits, Vegetables, Tree Nuts), Department of Agriculture

[947.323]

PART 947—IRISH POTATOES GROWN IN MODOC AND SISKIYOU COUNTIES, CALIF., AND IN ALL COUNTIES IN OREGON, EXCEPT MALHEUR COUNTY

Limitation of Shipments; Correction

In F.R. Doc. 65-7540 appearing in the issue for Friday, July 16, 1965, on

page 8961, the introductory paragraph of § 947.323 is corrected to read as follows:

§ 947.323 Limitation of shipments.

During the period July 19, through October 1, 1965, no person shall handle any lot of potatoes unless such potatoes meet the requirements of paragraphs (a) and (b) of this section, or unless such potatoes are handled in accordance with paragraphs (c), (d), (e), (f), and (g) of this section.

* * *
Dated: July 20, 1965.

PAUL A. NICHOLSON,
Deputy Director, Fruit and
Vegetable Division, Consumer
and Marketing Service.

[F.R. Doc. 65-7765; Filed, July 22, 1965; 8:47 a.m.]

Chapter XIV—Commodity Credit Corporation, Department of Agriculture

SUBCHAPTER B—LOANS, PURCHASES, AND OTHER OPERATIONS

PART 1443—OILSEEDS

Subpart—Cottonseed Oil and Meal Purchase Program Regulations (1965)

1443.2021	General statement.
1443.2022	Administration.
1443.2023	Crusher's participation in program.
1443.2024	Purchases of cottonseed by crusher.
1443.2025	Cooperative mills.
1443.2026	Tenders.
1443.2027	Purchases by CCC.
1443.2028	Information release.
1443.2029	Movement of cottonseed oil or meal.
1443.2030	Books and records.
1443.2031	Consultation with other firms.
1443.2032	Parent company.
1443.2033	Benefits and contingent fees.
1443.2034	Nondiscrimination in employment.

AUTHORITY: The provisions of this subpart issued under secs. 4 and 5, 62 Stat. 1070, as amended, secs. 301, 401, 63 Stat. 1051, as amended, sec. 601, 70 Stat. 212, 15 U.S.C. 714b and 714c, and 7 U.S.C. 1447, 1421, 1446d.

§ 1443.2021 General statement.

As a part of the 1965 Cottonseed Price Support Program formulated by Commodity Credit Corporation (referred to in this subpart as "CCC") and the Agricultural Stabilization and Conservation Service (referred to in this subpart as "ASCS"), CCC hereby offers to purchase cottonseed oil and, on a limited basis, cottonseed meal from cottonseed crushers participating in the program under the terms and conditions stated in this subpart. General purchases of cottonseed meal will not be made unless CCC subsequently announces that it will receive general tenders of meal. No purchases will be made from crushers who do not participate in the program.

§ 1443.2022 Administration.

(a) The program will be carried out by ASCS under the general supervision and direction of the Executive Vice President, CCC.

(b) Except as specifically provided otherwise, operations under this subpart will be administered by the New Orleans ASCS Commodity Office located at Wirth Building, 120 Marais Street, New Orleans, La., 70112 (referred to in this subpart as "the New Orleans office"). CCC contracting officers in the New Orleans office will execute contract documents on behalf of CCC. Officials in the New Orleans office do not have authority to waive or modify any provisions of this subpart.

§ 1443.2023 Crusher's participation in program.

(a) Any crusher who completes and forwards to the New Orleans office a signed original and copy of the 1965 Cottonseed Price Support Program Crusher Acceptance (Form CCC 912) not later than August 31, 1965, and complies with the other provisions of this subpart (such crusher is hereinafter referred to as a "participating crusher") will be eligible to make tenders hereunder to CCC, except that (1) no purchases will be made by CCC from any crusher debarred or suspended from contracting with CCC or from participating in programs financed by CCC, and (2), subject to approval of CCC, a crusher may file such acceptance form subsequent to August 31, 1965, but in such event may tender only the cottonseed oil or meal equivalent of seed purchased subsequent to the date of filing the acceptance form. If a crusher operates more than one cottonseed crushing mill, he must file an acceptance form for each mill which he desires to have participate in the program, and each such mill shall be treated as a separate unit for the purpose of determining the rights and obligations of the crusher with respect to cottonseed purchased by and cottonseed oil or meal delivered from each such mill. A participating crusher shall not withdraw from the program at any time prior to completion of his purchases of 1965 crop cottonseed or July 30, 1966, whichever is earlier.

(b) The acceptance form will contain an assurance by the crusher that his participation in the program will be conducted, and his facilities operated, in compliance with all of the requirements imposed by, or pursuant to, the regulations governing nondiscrimination in Federally-assisted programs of the Department of Agriculture, §§ 15.1-15.12 of this title, which effectuate Title VI of the Civil Rights Act of 1964.

§ 1443.2024 Purchases of cottonseed by crusher.

(a) **Price.** A participating crusher must pay for all 1965 crop cottonseed purchased from ginner not less than \$47 per ton, net weight, basis grade (100), f.o.b. conveyance or carrier at the gin, and from producers not less than a season's weighted average of \$43 per ton, gross weight, basis grade (100), and, in the case of purchases from both gins and producers, with premiums and discounts for other grades equal to the same percentage of such price as the percentage by which the grade of cottonseed purchased exceeds or is less than the basis grade (100). Cottonseed which is "below grade" or "off quality" as defined in

Service and Regulatory Announcement No. A.M.S. 179, as amended, "Standards for Grades of Cottonseed Sold or Offered for Sale for Crushing Purposes Within the United States" (hereinafter referred to as "the Cottonseed Standards"), may be purchased at a price mutually agreeable to the crusher and the seller.

(b) *Grades.* Except as provided in subparagraphs (1) and (2) of this paragraph, all 1965 crop cottonseed purchased by the crusher shall be graded by federally-licensed cottonseed chemists in accordance with the Cottonseed Standards on the basis of samples drawn from the cottonseed by federally-licensed cottonseed samplers or such other persons as are approved by CCC. The cost of sampling and grading cottonseed shall be borne by the crusher.

(1) Any crusher located in North Carolina, South Carolina, Georgia, the South Alabama counties of Montgomery, Dallas, Houston, and Barbour, or the San Joaquin Valley of California, may exclude the linters factor in determining the grade if such crusher did not have cottonseed from the 1964 crop graded in accordance with the Cottonseed Standards because of the linters factor.

(2) In the San Joaquin Valley of California, the grade of cottonseed acquired by the crusher from gins within one county may be determined on the basis of composite samples of such cottonseed. Samples constituting such composite samples shall be drawn and combined in accordance with methods specified by the Cotton Division, Consumer and Marketing Service, or the Executive Vice President, CCC.

(c) *Weight.* Purchases of cottonseed from ginneries by crushers under this subpart shall be based upon weight at the crusher's mill after deduction of the weight of all foreign material in excess of 1 percent. Purchases of cottonseed from producers by crushers under this subpart shall be based upon the gross weight of the cottonseed as customarily determined by the crusher when making purchases of cottonseed from producers. The cost of weighing shall be borne by the crusher.

(d) *Receipts from owned gins.* Where the crusher and a gin are a single legal entity, where the crusher owns a gin, where a gin owns a crusher, or where the gin and crusher are under common ownership or management, cottonseed received by the crusher from such gin shall not have been purchased from producers at less than a season's weighted average of \$43 per ton, gross weight, basis grade (100), with premiums and discounts for other grades equal to the same percentage of such price as the percentage by which the grade of cottonseed purchased exceeds or is less than the basis grade (100).

§ 1443.2025 Cooperative mills.

If the crusher is a cooperative oil mill, and if the marketing agreements between the crusher and its members provide for advances, the crusher may advance a part of the applicable minimum purchase price determined in accordance with the provisions of § 1443.2024 at the

time each lot of cottonseed is purchased and pay the balance of the minimum price after completion of crushing of 1965 crop cottonseed, but not later than December 30, 1966. Such balance shall be paid in cash unless the Executive Vice President, CCC, has approved deferred payment thereof by issuance of revolving fund certificates or by other methods of retention of funds for capital purposes. The Executive Vice President will approve deferred payment only by crushers (a) which are organized under applicable State or Federal laws as an association of persons who are engaged in the production of agricultural commodities, or as an association of other associations of such persons, and (b) which he determines are operating on a financially sound basis. Any cooperative crusher desiring approval to make deferred payment shall submit its application for approval to the Director, Procurement and Sales Division, ASCS, Washington, D.C., 20250 no later than the date of submission of its acceptance form, or such later date as CCC may for good cause approve. The application shall include a certified statement that the crusher meets the requirements of paragraph (a) of this section, and a complete and accurate statement of its current financial condition. The crusher shall also submit to CCC such information regarding its financial condition as CCC may request.

§ 1443.2026 Tenders.

(a) *Tenders of oil by crusher.* A participating crusher may tender to CCC crude or once-refined cottonseed oil, or both, produced at his mill.

(b) *Announcement of purchase price of oil by CCC.* CCC may, at its option, at any time prior to 2 p.m., c.s.t., on any Wednesday of any given week, announce that it will purchase cottonseed oil at not more than specified prices within areas designated by CCC. Such prices will be determined by CCC after giving consideration to the criteria specified in § 1443.2027 (b).

(c) *Tenders of meal.* A participating crusher may tender to CCC specific lots of cottonseed meal which he has reason to believe are unsuitable for feed use because of contamination by aflatoxin. CCC will not consider tenders of any other cottonseed meal unless it announces that it will consider such tenders from crushers located within localities designated by CCC in order to continue, insofar as practicable, the normal movement of both oil and meal into commercial channels. The price stated in all tenders of meal shall be on the basis of bulk 41 percent protein meal.

(d) *Submission of tenders.* Each tender shall be submitted to the New Orleans office. The tender may be made by letter transmitting a completed 1965 Cottonseed Price Support Program Crusher Tender Form (CCC Form 913) or by wire. If a tender is made by wire, a completed Crusher Tender Form shall promptly be mailed to the New Orleans office in confirmation, and the tender will not be accepted by CCC if it has not received the confirmation. Each

tender must be signed by the crusher, by an employee of the crusher having authority to sign tenders for the crusher, or by a broker designated in writing to the New Orleans office by the crusher. The designation for a broker shall indicate that the broker, as an agent of the crusher, is authorized to submit such tenders on behalf of the crusher (see § 1443.2033(c)). Each tender shall state the tender date on which it is to be considered; the price at which the crusher offers to sell oil or meal to CCC; the quantity of oil or meal tendered; whether, in the case of oil, the crusher is tendering basis prime crude or prime bleachable summer yellow cottonseed oil or making a two-fold tender; the proposed delivery schedule meeting the requirements of § 1443.2027; and such other information as CCC may request for its consideration of the tender. A supplementary explanation and justification must accompany any tender contemplating delivery after August 31, 1966.

(e) *Time of tenders.* All tenders, including tenders made pursuant to paragraph (b) of this section, shall be received at the New Orleans office not later than 4 p.m., c.s.t., on each Thursday (or on the next working day if Thursday is a holiday). No tender, or modification or withdrawal thereof, will be considered if received after the specified time on a particular tender date, unless received before acceptance is made of tenders received before such time and CCC determines that (1) such tender, modification, or withdrawal was delayed in transmission by mail or telegraph through no fault of the crusher, or (2) the modification is made for the purpose of correcting an error apparent on the face of the original tender or for the purpose of clarifying an ambiguity or supplying an omission therein, or (3) the modification is beneficial to CCC and not prejudicial to any other crusher. No tenders shall be made later than July 31, 1966.

(f) *Limitation on tenders.* Tenders of oil and meal by any crusher shall be made only against eligible cottonseed, which for the purposes of this subpart, is 1965 crop cottonseed produced in the United States and purchased by the crusher under the provisions of this subpart, other than below grade or off quality cottonseed and cottonseed purchased by the crusher prior to the date of receipt of his acceptance form by CCC if such date is after August 31, 1965. The quantity of oil or meal which the crusher tenders and CCC accepts shall not exceed the quantity thereof which could be produced from eligible cottonseed, based upon the 1964 crop outturn per ton of cottonseed in the crusher's area, as determined by CCC. Whenever CCC accepts a tender of either oil or meal, the cottonseed equivalent of either the oil or the meal covered by the tender (determined on the basis of the outturn, as provided above) shall be deducted from the quantity of eligible cottonseed against which the crusher may make future tenders. Whenever CCC accepts a single tender combining both oil and meal, such tender having been submitted for consideration on a joint basis, the cottonseed equivalent of the product

which represents the greater quantity of cottonseed (determined on the basis of the outturn, as provided above) shall be deducted from the quantity of eligible cottonseed against which the crusher may make future tenders. Notwithstanding any other provisions of this paragraph, the crusher shall not tender any cottonseed oil or meal which, if accepted by CCC, would cause the total quantity of oil or meal tendered to and accepted by CCC and not yet delivered to CCC to exceed the smallest of (1) the quantities of oil or meal which have been or can be produced from eligible cottonseed acquired by the crusher up to the time of the tender, less, with respect to oil only, any quantities thereof which the crusher has sold or contracted to sell to other persons or (2) the capacity of the mill to produce during a 60-day period of normal operation if such tender is made prior to December 30, 1965, or during a 45-day period of normal operation if such tender is made thereafter, or (3) the quantity of oil or meal which can be produced from the uncrushed eligible cottonseed which he has on hand as of the date of tender: *Provided*, That the crusher may make one or more tenders of oil or meal in excess of the quantity limits stipulated in subparagraph (2) or (3) of this paragraph, but in such event CCC will not accept a total quantity of oil or meal covered by such tender(s) which is in excess of the capacity of the mill to produce during a 15-day period of normal operation.

§ 1443.2027 Purchases by CCC.

(a) *Consideration of tenders.* As soon as possible after the final time for submission of tenders on each tender date, CCC will consider all tenders from participating crushers. If CCC determines (1) that the price stated in a tender is acceptable, (2) that, with respect to a tender of meal the crusher has reason to believe is contaminated, the meal is unsuitable for feed use because of contamination by aflatoxin, and (3) that the tender is otherwise acceptable under this subpart, CCC will accept the tender. If the price stated in any tender is not acceptable, CCC may, at its option, make a counteroffer. CCC will notify the crusher of acceptance or rejection of any tender, or make a counteroffer, by a wire filed not later than 4 p.m., c.s.t. on the next working day following the tender date. The crusher's acceptance of any counteroffer by CCC must be received by the New Orleans office within 2 business days after the date of filing of the wire containing CCC's counteroffer.

(b) *Price consideration.* The price stated in a tender, other than in response to a purchase offer of oil by CCC, will be acceptable to CCC if CCC determines that such price is not in excess of that price necessary to enable crushers within the crusher's generally competitive area to recover, as a group average, the minimum price which participating crushers are required to pay to ginners for cottonseed under this subpart plus such margin above such minimum price as CCC deems to be reasonable. In making such determination, and in determining the price at which CCC counteroffers, due

consideration will be given to current market prices for cottonseed products (oil, meal, linters, and hulls), average product outturns within said area, and other relevant factors. The crusher shall cooperate with the Consumer and Marketing Service, USDA, in furnishing prices at which he sells cottonseed products in bulk on the wholesale market.

(c) *Contract of sale.* Each tender by the crusher and acceptance by CCC, or counteroffer by CCC and acceptance by the crusher, as the case may be, shall constitute a separate contract for the sale of the cottonseed oil or meal covered thereby in accordance with the terms and conditions of this subpart and in accordance with the applicable rules of the National Cottonseed Products Association (referred to in this subpart as "NCPA") in effect on the date of the tender, except to the extent that such rules are inconsistent with this subpart, and except as to periods specified in such rules for presentation of claims and the rules on arbitration.

(d) *Delivery.* Each lot of cottonseed oil or meal purchased by CCC shall be delivered by the crusher f.o.b. cars or trucks (CCC's option) made available without cost to the crusher at crusher's mill. The crusher shall deliver cottonseed oil or meal, as the case may be, crushed from 1965 crop cottonseed produced in the United States. Delivery shall be in car or truck lots in accordance with the delivery schedule specified in the tender or any modification thereof mutually agreed to by the crusher and the New Orleans office, and in accordance with shipping instructions issued by the New Orleans office. CCC shall not be obligated to accept the initial delivery of oil under any tender prior to the expiration of 15 business days after the date of CCC's acceptance of the tender or the crusher's acceptance of a counteroffer. CCC shall not be obligated to accept the initial delivery of meal under any tender prior to the expiration of 30 business days after the date of CCC's acceptance of the tender or the crusher's acceptance of a counteroffer. At least 10 percent of the quantity of oil shall be delivered within 30 days after the date of sale, at least 30 percent within 60 days after the date of sale and at least 60 percent within 90 days after the date of sale. In any event, delivery of either oil or meal covered by a tender shall be completed not later than 180 days after the date of sale. Meal shall be delivered in bulk, or, if requested by CCC, in new or used bags in accordance with instructions issued by the New Orleans office. No delivery of oil or meal shall be made after August 31, 1966, unless the New Orleans office and the crusher agree upon a later date for delivery. Title to the cottonseed oil or meal shall pass to CCC upon delivery. In delivering oil under any contract of sale, a variation of one-half of 1 percent above or below the contract quantity will be accepted as a good delivery as to weight. In delivering meal under any contract of sale, a variation of 5 percent above or below the contract quantity will be accepted as good delivery as to weight: *Provided*, That the variation shall not exceed 2½ tons.

(e) *Grade of oil.* The cottonseed oil delivered by the crusher shall be basis prime crude cottonseed oil or prime bleachable summer yellow cottonseed oil (as specified in the tender), as defined in the rules of the NCPA: *Provided*, That if, on the basis of sampling and chemical analysis of cottonseed being crushed by the mill at the time for delivery, or because of other conditions inherent in the cottonseed which are not reflected in sampling and chemical analysis, it is shown to the satisfaction of the New Orleans office that basis prime crude cottonseed oil or prime bleachable summer yellow cottonseed oil cannot be produced, the crusher may deliver crude cottonseed oil of less than prime quality at the agreed sales price less discounts determined in accordance with the rules of the NCPA, or once-refined cottonseed oil of prime summer yellow or summer yellow grade at a price mutually agreed upon by the crusher and CCC. The sale price of crude oil shall be adjusted for variance in quality in accordance with the rules of the NCPA.

(f) *Grade of meal and protein content.* The cottonseed meal delivered by the crusher shall be 41 percent protein cottonseed meal, prime quality, as defined in the rules of NCPA, except that (1) less than prime quality meal may be delivered at the agreed sales price less discounts determined in accordance with the rules of the NCPA if, on the basis of sampling and chemical analysis of cottonseed being crushed at the mill at the time for delivery, or because of other conditions inherent in the cottonseed which are not reflected in sampling and chemical analysis, it is shown to the satisfaction of the New Orleans office that prime quality meal cannot be produced, and (2) meal having less than 41 percent protein content may be delivered at market discounts agreed upon by the crusher and CCC, as applied against the sales price for 41 percent protein meal. Meal having in excess of 41 percent protein content may be delivered to CCC at no premium. In any event, however, meal which has been found or is known to be unsuitable for normal feed use because of residues of chemicals used as defoliants, herbicides or pesticides, or which has become contaminated by aflatoxin because of the crusher's failure to exercise due care with respect to the cottonseed or meal, will be rejected to the crusher by CCC.

(g) *Provisional payment.* When oil or meal is delivered to CCC, the crusher may present to CCC for provisional payment an invoice, with shipping documents acceptable to CCC attached, for the value of the oil or meal based on origin weights and the agreed sales price. No provisional payment shall be made for bags used in delivering meal.

(h) *Final settlement.* Final settlement for oil or meal delivered to CCC will be made upon the basis of the official analysis and the certified destination outturn weight of the oil or meal determined in accordance with the NCPA rules. Final settlement for meal shall also include the sales price of any bags used, such sales price to be the current market price for bags, as agreed upon

by the crusher and the New Orleans office. The analysis and weighing of oil or meal delivered will be arranged for by CCC at its expense.

§ 1443.2028 Information release.

It is understood that CCC will make public the names, quantities, locations, and prices and such other information as it deems advisable with respect to all tenders under this subpart which have been accepted by CCC and transactions developing therefrom.

§ 1443.2029 Movement of cottonseed oil or meal.

CCC shall not be responsible for any loss or injury caused the crusher by failure of CCC to move cottonseed oil or meal promptly, and the crusher shall not be responsible for any failure to deliver or delay in delivery, where such failure or delay on the part of CCC or the crusher is due to any cause without such party's fault or negligence including, but not restricted to, acts of God or the public enemy, storms, floods, conflagrations, strikes, blockades, riots, embargoes, or priority, allocation, service, or other orders or directives issued by the Government, or difficulty in obtaining cars or trucks. Notwithstanding the foregoing provisions, if CCC fails for any reason to issue shipping instructions in accordance with the delivery schedule specified in the tender (or any modification mutually agreed to by the New Orleans office and the crusher) the crusher may have an official analysis or quality determination made of the quantity of oil or meal involved and shall not, after giving timely written notice to CCC accompanied by a copy of such official analysis or quality determination, be responsible for any loss or deterioration in quality subsequent to the date of such official analysis or quality determination except for any loss, deterioration or damage due to the fault or negligence of the crusher.

§ 1443.2030 Books and records.

Each crusher filing an acceptance form under this subpart shall keep accurate books, records, and accounts with respect to all purchases of cottonseed (including the name of seller, date of receipt, weight, and grade of each lot of cottonseed purchased) and all other transactions under this subpart for a period of at least 3 years from the last date any cottonseed oil or meal is delivered by the crusher under this subpart, and shall furnish CCC such information and reports relating thereto as CCC may from time to time request, subject to the approval of the Bureau of the Budget pursuant to the Federal Reports Act of 1942. The crusher shall permit authorized employees of the U.S. Department of Agriculture, and the General Accounting Office, at any time during customary business hours to inspect, examine, audit and make copies of such books, records, and accounts.

§ 1443.2031 Consultation with other firms.

By submitting a tender under this subpart, the crusher warrants that the tender was prepared and submitted without consultation and agreement with any

other firm or concern (except as between principal and his agent or broker and except as between a crusher and its management which also manages other crushers) with respect to the prices stated in the tender.

§ 1443.2032 Parent company.

Each crusher submitting a tender under this subpart shall state whether the crusher is owned or controlled by a parent company and, if so, shall state the name and principal office address of the parent company in the spaces provided on the tender form. The crusher shall also insert in the space provided the Employer's Identification Number (E.I. No.) (Federal Social Security Number used on Employee's Quarterly Federal Tax Return, U.S. Treasury Department Form 941) of the crusher and the parent company (if any). For the purposes of this subpart, a parent company is defined as one which either owns or controls the activities and basic business policies of the participating crusher. To own another company means the parent company must own at least a majority (more than 50 percent) of the voting rights in that company. To control another company, such ownership is not required; if another company is able to formulate, determine or veto basic business policy decisions of the participating crusher, such other company is considered the parent company of the bidder. This control may be exercised through the use of dominant minority voting rights, use of proxy voting, contractual arrangements, or otherwise.

§ 1443.2033 Benefits and contingent fees.

(a) No Member of or Delegate to the Congress of the United States or Resident Commissioner, shall be admitted to any share or part of any contract resulting from tenders of cottonseed oil or meal under this subpart or to any benefit that may arise therefrom, but this provision shall not be construed to extend to such a contract if made with a corporation for its general benefit and shall not extend to any benefits that may accrue from such contract to a Member of or Delegate to the Congress or a Resident Commissioner in his capacity as a producer of cottonseed.

(b) By submitting a tender under this subpart the crusher warrants that no person or selling agency has been employed or retained to solicit or secure the contract upon an agreement or understanding for a commission, percentage, brokerage, or contingent fee except bona fide employees or bona fide established commercial or selling agencies maintained by the crusher for the purpose of securing business. For breach or violation of this warranty, CCC shall have the right to annul the contract without liability, or in its discretion to deduct from the contract price of the cottonseed oil or meal the full amount of such commission, percentage, brokerage, or contingent fee.

(c) By submitting a tender under this subpart, the crusher further warrants that he has not employed or utilized any person, firm or organization which (1)

furnished any information or service which might tend to prevent, limit, or restrict competition in the submission of tenders under this subpart, or (2) furnished any assistance to the crusher in the calculation of prices if such person, firm, or organization has assisted or is assisting other persons submitting tenders under this subpart in the calculation of prices (other than prices specified in tenders made pursuant to CCC's offer to purchase oil under § 1443.2025(b)).

§ 1443.2034 Nondiscrimination in employment.

During the period between the date the crusher files his acceptance form pursuant to § 1443.2023 and August 31, 1966, or the date on which he completes delivery of the final lot of cottonseed oil or meal sold to CCC pursuant to this subpart, whichever is later, the crusher agrees as follows:

(a) The crusher will not discriminate against any employee or applicant for employment because of race, creed, color, or national origin. The crusher will take affirmative action to ensure that applicants are employed, and that employees are treated during employment, without regard to their race, creed, color, or national origin. Such action shall include, but not be limited to, the following: Employment, upgrading, demotion, or transfer; recruitment or recruitment advertising; and selection for training, including apprenticeship. The crusher agrees to post in conspicuous places, available to employees and applicants for employment, notices to be provided by the contracting officer setting forth the provisions of this nondiscrimination clause.

(b) The crusher will, in all solicitation or advertisements for employees placed by or on behalf of the crusher, state that all qualified applicants will receive consideration for employment without regard to race, creed, color, or national origin.

(c) The crusher will send to each labor union or representative of workers with which he has a collective bargaining agreement or other contract of understanding, a notice to be provided by the agency contracting officer advising the said labor union or workers' representative of the crushers' commitments under this section, and shall post copies of the notice in conspicuous places available to employees and applicants for employment.

(d) The crusher will comply with all provisions of Executive Order No. 10925 of March 6, 1961, as amended, and of the rules, regulations, and relevant orders of the President's Committee on Equal Employment Opportunity created thereby.

(e) The crusher will furnish all information and reports required by Executive Order No. 10925 of March 6, 1961, as amended, and by the rules, regulations and orders of the said Committee or pursuant thereto, and will permit access to his books, records, and accounts by the contracting agency and the Committee for the purposes of investigation to ascertain compliance with such rules, regulations, and orders.

(f) In the event of the crusher's non-compliance with the nondiscrimination clauses of such contract or with any of the said rules, regulations, or orders, the contract may be canceled, terminated, or suspended in whole or in part and the crusher may be declared ineligible for further Government contracts in accordance with procedures authorized in Executive Order No. 10925 of March 6, 1961, as amended, and such other sanctions may be imposed and remedies invoked as provided in the said Executive order or by rule, regulations, or order of the President's Committee on Equal Employment Opportunity, or as otherwise provided by law.

(g) The crusher will include the provisions of paragraphs (a) through (g) of this section in every subcontract or purchase order unless exempted by rules, regulations, or orders of the President's Committee on Equal Employment Opportunity issued pursuant to section 303 of Executive Order No. 10925 of March 6, 1961, so that provisions will be binding upon each subcontractor or vendor. The crusher will take such action with respect to any subcontract or purchase order as the contracting agency may direct as a means of enforcing such provisions, including sanctions for noncompliance: *Provided, however*, That in the event the crusher becomes involved in, or is threatened with, litigation with a subcontractor or vendor as a result of such direction by the contracting agency, the crusher may request the United States to enter into such litigation to protect the interests of the United States.

Effective date: Upon publication in the **FEDERAL REGISTER**.

Signed at Washington, D.C., on July 20, 1965.

E. A. JAENKE,
*Acting Executive Vice President,
Commodity Credit Corporation.*

[F.R. Doc. 65-7833; Filed, July 22, 1965;
8:48 a.m.]

Title 24—HOUSING AND HOUSING CREDIT

Chapter II—Federal Housing Admin- istration, Housing and Home Finance Agency

SUBCHAPTER C—MILITARY AND ARMED SERVICES HOUSING MORTGAGE INSURANCE

PART 803—ARMED SERVICES HOUSING—MILITARY PERSONNEL

PART 803a—MILITARY HOUSING INSURANCE

Contract Rights and Obligations

In § 803.252 paragraph (c) is amended to read as follows:

§ 803.252 Method of payment.

(c) (1) Until the mortgage is paid in full, or until receipt by the Commissioner of an application for insurance benefits, or until the contract of insurance is otherwise terminated with the

consent of the Commissioner, the mortgagee, on each anniversary date of the first principal payment, shall pay an annual mortgage insurance premium.

(2) With respect to mortgage insurance premiums:

(i) Due prior to August 1, 1965, the amount of the annual premium payment shall be equal to one-quarter of 1 percent per annum of the amount of the average outstanding principal obligation of the mortgage for the following year, without taking into account delinquent payments or prepayments.

(ii) Due on or after August 1, 1965, the amount of the annual premium payment shall be equal to one-sixth of 1 percent per annum of the amount of the average outstanding principal obligation of the mortgage for the following year, without taking into account delinquent payments or prepayments.

(Sec. 807, 69 Stat. 651; 12 U.S.C. 1748f. Interprets or applies sec. 803, 69 Stat. 647, as amended; 12 U.S.C. 1748b)

Section 803a.251 is revised to read as follows:

§ 803a.251 Incorporation by reference.

(a) Except as set forth in paragraph (b) of this section, all of the provisions of Part 207 of this chapter, concerning rights and obligations of a mortgagee pursuant to an insurance contract under section 207 of the National Housing Act, apply with equal force and effect to mortgages insured pursuant to section 803 of the National Housing Act as in effect prior to August 11, 1955, except that references in Part 207 of this chapter to section 207 of the National Housing Act shall be deemed to refer to such section 803 of the National Housing Act for the purposes of this subpart.

(b) The payment of mortgage insurance premiums shall be governed by the provisions of § 207.252 of this chapter except that:

(1) Where the mortgage insurance premium is due prior to August 1, 1965, the amount of the annual premium payment shall be equal to one-half of 1 percent per annum of the amount of the average outstanding principal obligation of the mortgage for the following year, without taking into account delinquent payments or prepayments.

(2) Where the property covered by the mortgage has been acquired by the Secretary of Defense or his designee and the mortgage insurance premium is due on or after August 1, 1965, the amount of the annual premium payment shall be equal to one-sixth of 1 percent per annum of the amount of the average outstanding principal obligation of the mortgage for the following year, without taking into account delinquent payments or prepayments.

(3) Where the property has not been acquired by the Secretary of Defense or his designee, the amount of the annual mortgage insurance premium payment, regardless of when due, shall be equal to one-half of 1 percent per annum of the amount of the average outstanding principal obligation of the mortgage for the following year, without taking into ac-

count delinquent payments or prepayments.

(Sec. 803, 63 Stat. 570; 12 U.S.C. 1748g)

Issued at Washington, D.C., July 19, 1965.

PHILIP N. BROWNSTEIN,
Federal Housing Commissioner.

[F.R. Doc. 65-7760; Filed, July 22, 1965;
8:46 a.m.]

Title 43—PUBLIC LANDS: INTERIOR

Subtitle A—Office of the Secretary of the Interior

[Circular 2198]

PART 16—CONSERVATION OF HELIUM

Miscellaneous Amendments

On April 25, 1964, a proposed amendment of Subpart 3105 of Title 43 of the Code of Federal Regulations was published at 29 F.R. 5561. The purpose of the amendment was to provide for the conservation of helium by authorizing disposition to qualified applicants of rights for the extraction of helium from gas produced from Federal lands. A period of 30 days was given to interested parties in which to comment on the proposed regulations.

After the consideration of these comments and further study, the Department adopted regulations as Part 16, published in the **FEDERAL REGISTER** at 29 F.R. 9382 on July 9, 1964, and effective upon that date. Further comments by the public and further study by this Department have shown the need for revision of §§ 16.1–16.4. Section 16.4 as it presently appears will be deleted and §§ 16.5 and 16.6 will be renumbered §§ 16.4 and 16.5, respectively.

Accordingly, the amended §§ 16.1–16.3 are adopted as set forth below and will become effective upon publication in the **FEDERAL REGISTER**.

§ 16.1 Agreements to dispose of helium in natural gas.

(a) Pursuant to his authority and jurisdiction over Federal lands, the Secretary may enter into agreements with qualified applicants to dispose of the helium of the United States upon such terms and conditions as he deems fair, reasonable, and necessary to conserve such helium, whenever helium can be conserved that would otherwise be wasted or lost to Federal ownership or use in the production of oil or gas from Government lands embraced in an oil and gas lease or whenever federally owned deposits of helium-bearing gas are being drained. The precise nature of any agreement will depend on the conditions and circumstances involved in that particular case.

(b) An agreement shall be subject to the existing rights of the Federal oil and gas lessee.

(c) An agreement shall provide that in the extraction of helium from gas pro-

duced from Federal lands, it shall be extracted so as to cause no delay, except that required by the extraction process, in the delivery of the residue of the gas produced from such lands to the owner thereof. Title will be granted to the helium which is physically reduced to possession.

§ 16.2 Applications for helium disposition agreements.

The application for a helium disposition agreement need not be in any particular form, but must contain information sufficient to enable the Secretary to determine that the proposal will conserve helium that will otherwise be wasted, drained, or lost to Federal ownership or use, and to evaluate the suitability of the proposal.

§ 16.3 Terms and conditions.

The applicant must agree not to develop wells on Federal land with the principal purpose of recovering the helium component of natural gas unless permission to do so has been expressly granted by the Secretary.

(R.S. 2478, as amended, 60 Stat. 950; 74 Stat. 918, 922; 43 U.S.C. 1201, 30 U.S.C. 181, 50 U.S.C. 167a, 167g)

STEWART L. UDALL,
Secretary of the Interior.

JULY 16, 1965.

[F.R. Doc. 65-7753; Filed, July 22, 1965;
8:46 a.m.]

Proposed Rule Making

DEPARTMENT OF AGRICULTURE

Consumer and Marketing Service

[7 CFR Part 1031]

[Docket No. AO 170-A16]

MILK IN NORTHWESTERN INDIANA MARKETING AREA

Notice of Rescheduled Hearing on Proposed Amendments to Tentative Marketing Agreement and Order

Due to an unexpected conflict in the schedule of the Office of Hearing Examiners, it is found necessary to reschedule the hearing in this proceeding presently set for July 22, 1965, with respect to proposed amendments to the tentative marketing agreement and to the order regulating the handling of milk in the Northwestern Indiana Marketing Area, notice of which was published in the FEDERAL REGISTER dated July 17, 1965 (30 F.R. 9008).

Pursuant to the provisions of § 900.8 of the Rules of Practice and Procedure Governing Proceedings to Formulate Marketing Agreements and Marketing Orders (7 CFR 900.8), notice is hereby given that the said public hearing will be held beginning at 9:30 a.m., local time, on July 26, 1965, at the Pick Oliver Hotel, 105 North Main Street, South Bend, Ind.

Signed at Washington, D.C., on July 20, 1965.

JACK W. BAIN,
Hearing Examiner.

[F.R. Doc. 65-7766; Filed, July 22, 1965;
8:47 a.m.]

FEDERAL AVIATION AGENCY

[14 CFR Part 71]

[Airspace Docket No. 65-SO-6]

FEDERAL AIRWAYS

Proposed Realignment

The Federal Aviation Agency is considering amendments to Part 71 of the Federal Aviation Regulations that would realign VOR Federal airway No. 185 from Knoxville, Tenn., via the intersection of the Knoxville 069° True radial and the 301° True radial of the Waterville, N.C., VORTAC, to be installed in December 1965 at approximately latitude 35°47'24" N., longitude 83°03'09" W., to Asheville, N.C.; that would realign VOR Federal airway No. 16 S alternate from Knoxville via Waterville to Holston Mountain, Tenn.; and that would realign VOR Federal airway No. 35 W alternate from Asheville via the intersection of the Asheville 301° and Holston Mountain 203° True radials, to Holston Mountain.

Interested persons may participate in the proposed rule making by submitting

such written data, views, or arguments as they may desire. Communications should identify the airspace docket number and be submitted in triplicate to the Director, Southern Region, Attention: Chief, Air Traffic Division, Federal Aviation Agency, Post Office Box 20636, Atlanta, Ga., 30320. All communications received within 45 days after publication of this notice in the FEDERAL REGISTER will be considered before action is taken on the proposed amendments. The proposals contained in this notice may be changed in the light of comments received.

An official docket will be available for examination by interested persons at the Federal Aviation Agency, Office of the General Counsel, Attention: Rules Docket, 800 Independence Avenue SW., Washington, D.C., 20553. An informal docket also will be available for examination at the office of the Regional Air Traffic Division Chief.

The Waterville VORTAC is being installed to support the realignment of V-185 between Asheville and Knoxville and V-16 S between Knoxville and Holston Mountain. The Waterville VORTAC will improve navigational guidance on these airway segments, as proposed, and over mountainous terrain. The facility will also permit a lowering of the minimum reception altitude and the minimum en route altitude of the proposed airway segments and at various intersections N and NE of Knoxville. Realignment of V-35 W alternate would improve chart legibility.

These amendments are proposed under the authority of section 307(a) of the Federal Aviation Act of 1958 (49 U.S.C. 1348).

Issued in Washington, D.C., on July 15, 1965.

DANIEL E. BARROW,
Chief, Airspace Regulations
and Procedures Division.

[F.R. Doc. 65-7741; Filed, July 22, 1965;
8:45 a.m.]

[14 CFR Part 71]

[Airspace Docket No. 65-WA-30]

TRANSITION AREA

Proposed Alteration

The Federal Aviation Agency is considering an amendment to Part 71 of the Federal Aviation Regulations that would designate an extension to the Wilmington, N.C., transition area based upon the localizer course.

As parts of this proposal relate to the navigable airspace outside the United States, this notice is submitted in consonance with the ICAO International Standards and Recommended Practices.

Applicability of International Standards and Recommended Practices, by the Air Traffic Service, FAA, in areas outside domestic airspace of the United

States is governed by Article 12 and Annex 11 to the Convention on International Civil Aviation (ICAO), which pertains to the establishment of air navigation facilities and services necessary to promoting the safe, orderly, and expeditious flow of civil air traffic. Its purpose is to insure that civil flying on international air routes is carried out under uniform conditions designed to improve the safety and efficiency of air operations.

The International Standards and Recommended Practices in Annex 11 apply in those parts of the airspace under the jurisdiction of a contracting state, derived from ICAO, wherein air traffic services are provided and also whenever a contracting state accepts the responsibility of providing air traffic services over high seas or in airspace of undetermined sovereignty. A contracting state accepting such responsibility may apply the International Standards and Recommended Practices to civil aircraft in a manner consistent with that adopted for airspace under its domestic jurisdiction.

In accordance with Article 3 of the Convention on International Civil Aviation, Chicago, 1944, state aircraft are exempt from the provisions of Annex 11 and its Standards and Recommended Practices. As a contracting state, the United States agreed by Article 3(d) that its state aircraft will be operated in international airspace with due regard for the safety of civil aircraft.

Since this action involves, in part, the designation of navigable airspace outside the United States, the Administrator has consulted with the Secretary of State and the Secretary of Defense in accordance with the provisions of Executive Order 10854.

Interested persons may participate in the proposed rule making by submitting such written data, views, or arguments as they may desire. Communications should identify the airspace docket number and be submitted in triplicate to the Federal Aviation Agency, Office of the General Counsel, Attention: Rules Docket, 800 Independence Avenue SW., Washington, D.C., 20553. All communications received within 45 days after publication of this notice in the FEDERAL REGISTER will be considered before action is taken on the proposed amendment. The proposal contained in the notice may be changed in the light of comments received. All comments submitted will be available in the Rules Docket for examination by interested persons, both before and after the closing date for comments.

The transition area extension, proposed above for Wilmington, N.C., would be described as from 1,200 feet above the surface, within 5 miles each side of the Wilmington localizer SE course, extending from the LOM to 12 miles SE of the LOM. This controlled airspace is necessary to protect a holding pattern and aircraft executing a standard instrument approach procedure to New Hanover County Airport, N.C.

This amendment is proposed under section 307(a) and 1110 of the Federal Aviation Act of 1958 (49 U.S.C. 1348, 1510), and Executive Order 10854 (24 F.R. 9565).

Issued in Washington, D.C., on July 14, 1965.

H. B. HELSTROM,
*Acting Chief, Airspace Regulations
and Procedures Division.*

[F.R. Doc. 65-7742; Filed, July 22, 1965;
8:45 a.m.]

[14 CFR Parts 71, 75]

[Airspace Docket No. 65-CE-71]

POSITIVE CONTROL AREA AND JET ADVISORY AREAS

Proposed Designation and Revocation

The Federal Aviation Agency is considering amendments to Parts 71 and 75 of the Federal Aviation Regulations that would extend the positive control area to include the remaining portion of Michigan presently not covered by the positive control area, and that would revoke jet advisory areas associated with Jet Routes Nos. 101 and 548 and that portion of the jet advisory area associated with Jet Route No. 500 that would lie within the positive control area as proposed for extension.

Interested persons may participate in the proposed rule making by submitting such written data, views, or arguments as they may desire. Communications should identify the airspace docket number and be submitted in triplicate to the Director, Central Region, Attention: Chief, Air Traffic Division, Federal Aviation Agency, 4825 Troost Avenue, Kansas City, Mo., 64110. All communications received within 45 days after publication of this notice in the FEDERAL REGISTER will be considered before action is taken on the proposed amendments. The proposals contained in this notice may be changed in the light of comments received.

An official docket will be available for examination by interested persons at the Federal Aviation Agency, Office of the General Counsel, Attention: Rules Docket, 800 Independence Avenue SW., Washington, D.C., 20553. An informal docket also will be available for examination at the office of the Regional Air Traffic Division Chief.

The positive control area is designated airspace within the continental control area wherein safety to aircraft is increased by the separation of both en route and diversified aircraft operations in accordance with Part 91 of the Federal Aviation Regulations. Positive control area is presently designated from FL 240 to, and including, FL 600 in the continental control area of the 48 contiguous States, excluding portions of the States of Texas, North Dakota, South Dakota, Minnesota, Wisconsin, New Hampshire, Michigan, and Maine. Action is proposed herein to designate as positive control area that airspace from FL 240 to, and including, FL 600 within

the continental control area bounded by a line from:

Latitude 46°42'00" N., longitude 89°45'00" W., to latitude 47°40'40" N., longitude 86°46'00" W., to thence along the United States/Canadian border to latitude 46°06'40" N., longitude 83°47'00" W., to latitude 46°04'00" N., longitude 83°48'15" W., to latitude 45°55'30" N., longitude 83°30'20" W., to thence along the United States/Canadian border to latitude 43°52'00" N., longitude 82°11'20" W., to latitude 43°52'00" N., longitude 84°10'00" W., to latitude 44°09'00" N., longitude 85°18'00" W., to latitude 44°50'00" N., longitude 88°00'00" W., to latitude 45°50'00" N., longitude 89°45'00" W., to thence to the point of beginning.

The Minneapolis Air Route Traffic Control Center provides radar service in the airspace under consideration herein. Therefore, it has the capability of providing separation service to all IFR users without reducing the effectiveness of typical military and civil operations conducted in that airspace.

Since jet advisory areas within the above-proposed positive control area would no longer be required, it is also proposed herein to revoke the jet advisory areas associated with Jet Route Nos. 101 and 548, and to revoke that portion of the jet advisory area associated with Jet Route No. 500 that would be within the positive control area.

These amendments are proposed under the authority of section 307(a) of the Federal Aviation Act of 1958 (49 U.S.C. 1348).

Issued in Washington, D.C., on July 14, 1965.

H. B. HELSTROM,
*Acting Chief, Airspace Regulations
and Procedures Division.*

[F.R. Doc. 65-7743; Filed, July 22, 1965;
8:45 a.m.]

[14 CFR Part 73]

[Airspace Docket No. 65-WE-62]

RESTRICTED AREA

Proposed Designation

The Federal Aviation Agency is considering an amendment to Part 73 of the Federal Aviation Regulations that would designate a restricted area at Hawthorne, Nev.

Interested persons may participate in the proposed rule making by submitting such written data, views, or arguments as they may desire. Communications should identify the airspace docket number and be submitted in triplicate to the Director, Western Region, Attention: Chief, Air Traffic Division, Federal Aviation Agency, 5651 West Manchester Avenue, Post Office Box 90007, Airport Station, Los Angeles, Calif., 90009. All communications received within 45 days after publication of this notice in the FEDERAL REGISTER will be considered before action is taken on the proposed amendment. The proposal contained in this notice may be changed in the light of comments received.

An official docket will be available for examination by interested persons at the Federal Aviation Agency, Office of the General Counsel, Attention: Rules

Docket, 800 Independence Avenue SW., Washington, D.C., 20553. An informal docket also will be available for examination at the office of the Regional Air Traffic Division Chief.

The U.S. Navy has requested the designation of restricted airspace for demolition activities conducted by the Naval Ammunition Depot at Hawthorne. Fragmentations from the demolition activities could be contained vertically in airspace designated from the surface to 15,000 feet MSL. The requested airspace would be designated as a 1½-nautical-mile radius circle centered at latitude 38°14'45" N., longitude 118°38'15" W. Since the area would be comparatively small, designation of such airspace as joint use would not be practical. VFR flights should be able to circumnavigate the proposed area with a minimum of inconvenience. Due to the terrain of the general area, the main VFR route between Hawthorne and the Mono Lake, Calif., area is along Nevada State Highway 31. Even though a portion of this highway, which the Navy states will be blocked during firing period, does overlap a part of the proposed restricted area, VFR flights could avoid the area to the SE with a minimum deviation in their route.

The designated altitude would be from the surface to 15,000 feet MSL. The time of designation would be from 0800 to 1500 hours, local time, Monday through Friday. The using agency would be the Commanding Officer, Naval Ammunition Depot, Hawthorne, Nev.

This amendment is proposed under the authority of section 307(a), of the Federal Aviation Act of 1958 (49 U.S.C. 1348).

Issued in Washington, D.C., on July 15, 1965.

H. B. HELSTROM,
*Acting Chief, Airspace Regulations
and Procedures Division.*

[F.R. Doc. 65-7744; Filed, July 22, 1965;
8:45 a.m.]

[14 CFR Part 75]

[Airspace Docket No. 63-SW-109]

JET ROUTE

Proposed Designation

The Federal Aviation Agency is considering an amendment to Part 75 of the Federal Aviation Regulations that would designate a jet route from Los Angeles, Calif., via existing Jet Route No. 78 to Winslow, Ariz.; intersection of the Winslow 075° T (061°M) and the Cimarron, N. Mex. 254° T (241°M) radials; Cimarron; Liberal, Kans.; Wichita, Kans.; to Kansas City, Mo.

Interested persons may participate in the proposed rule making by submitting such written data, views, or arguments as they may desire. Communications should identify the airspace docket number and be submitted in triplicate to the Director, Southwest Region, Attention: Chief, Air Traffic Division, Federal Aviation Agency, Post Office Box 1689, Fort Worth, Tex., 76101. All communications received within 45 days after publication

of this notice in the FEDERAL REGISTER will be considered before action is taken on the proposed amendment. The proposal contained in this notice may be changed in the light of comments received.

An official docket will be available for examination by interested persons at the Federal Aviation Agency, Office of the General Counsel, Attention: Rules Docket, 800 Independence Avenue SW., Washington, D.C., 20553. An informal docket also will be available for examination at the office of the Regional Air Traffic Division Chief.

The above-proposed jet route designation would provide an alternate routing between Los Angeles and Kansas City to relieve the congestion which exists on Jet Routes Nos. 64 and 80.

This amendment is proposed under the authority of section 307(a) of the Federal Aviation Act of 1958 (49 U.S.C. 1348).

Issued in Washington, D.C., on July 14, 1965.

H. B. HELSTROM,
Acting Chief, Airspace Regulations
and Procedures Division.

[F.R. Doc. 65-7745; Filed, July 22, 1965;
8:45 a.m.]

FEDERAL COMMUNICATIONS COMMISSION

[47 CFR Part 73]

[Docket No. 14229]

FOSTERING EXPANDED USE OF UHF TELEVISION CHANNELS

Order Extending Time for Filing Comments

1. Requests for an extension of time for filing comments and reply comments in this proceeding (Commission's proposal to establish a new class of low powered UHF television stations to operate on Channels 70 to 83) have been filed by the Tri-State TV Translator Association (Tri-State) on June 24, 1965, by the Association of Maximum Service Telecasters, Inc. (MST), on July 14, 1965, and by The National Association of Educational Broadcasters (NAEB), on July 14, 1965.

2. Tri-State states in its request that it does not have adequate information at present to answer this rule making procedure properly; that it has sent inquiries to broadcasters but that the requested information will not be received in time for the preparation of their reply to the Commission prior to the Commission's July 20, 1965, date for filing comments. Similarly, MST states that it requires additional time in order to complete its study of the matter and to prepare and submit helpful and meaningful comments. The NAEB points out that the Fourth Report and Order and the companion low power further notice of proposed rule making (Docket 14229) represent a substantial shift in the assignment principals and that the low power proposal requires careful study by

its membership as well as legal and engineering consultants; that it is in the process of drafting a petition for reconsideration of the Fourth Report and Order and that the requested extension will afford it an opportunity to formulate its position and file thoughtful comments which will be of assistance in resolution of this docket. MST requests that the time for filing comments be extended until September 3, 1965, and that the time for filing reply comments be extended until September 20, 1965. The NAEB requests that the respective comments dates be extended for 60 days. Tri-State asks for an extension for filing comments to August 20, 1965.

3. In view of the foregoing, and the Commission's desire to benefit from all possible information that may be made available, it is believed that there is good cause for the requested extension of time and that the requests should be granted.

4. Accordingly, it is ordered, This 16th day of July, 1965, That the requests of the Tri-State TV Translator Association, the Association of Maximum Service Telecasters, Inc., and The National Association of Educational Broadcasters for an extension of time are granted, and that the time for filing comments in this proceeding is extended from July 20, 1965, to September 20, 1965, and that the time for filing reply comments is extended from August 5, 1965, to October 5, 1965.

5. This action is taken pursuant to authority found in sections 4(i), 5(d)(1), and 303(r) of the Communications Act of 1934, as amended, and § 0.281(d)(8) of the Commission's rules.

Released: July 20, 1965.

FEDERAL COMMUNICATIONS
COMMISSION,

[SEAL] BEN F. WAPLE,
Secretary.

[F.R. Doc. 65-7767; Filed, July 22, 1965;
8:48 a.m.]

SECURITIES AND EXCHANGE COMMISSION

[17 CFR Part 240]

[Release 34-7647]

HYPOTHECATION OF CUSTOMERS' SECURITIES

Notice of Proposed Rule Making

Notice is hereby given that the Securities and Exchange Commission has under consideration a proposal to amend its Rules 8c-1 and 15c2-1 (17 CFR 240.8c-1 and 240.15c2-1) under the Securities Exchange Act of 1934 ("Exchange Act"). These rules, which are identical in substance, prohibit the hypothecation of customers' securities by broker-dealers under circumstances which permit the commingling of one customer's securities (1) with those of any other customer, unless each customer's prior consent has been obtained; and (2) with those of other than a bona fide customer. The proposed amendments, which would be adopted under the provisions of the Ex-

change Act, and particularly sections 8(c), 15(c)(2) and 23(a) thereof, would add a new clause (g) to Rules 8c-1 and 15c2-1 (17 CFR 240.8c-1 and 240.15c2-1) to provide an exemption from the commingling prohibitions of these rules where an exchange member, broker or dealer participating in a system of a national securities exchange or national securities association for the central handling of securities hypothecates securities in accordance with such system. For the exemption to be applicable the system would be required to contain specified provisions and follow specified procedures which have been deemed adequate by the Commission for the protection of investors.

The proposed amendment is necessitated by the development in recent years of centralized systems for the handling and delivery of securities through the use of automated procedures. In this connection, the Special Study of Securities Markets recommended that the securities industry, with the cooperation of the Commission, should give continuing attention to the possibilities for improving and modernizing existing securities handling and delivery systems.¹ For example, the New York Stock Exchange has proposed to initiate a Central Certificate Service which would have custody of a large proportion of customers' and proprietary securities now held by individual firms and would effect transfers and hypothecation of securities by means of bookkeeping entries for members of the system, thereby reducing the number of physical transfers of securities.

The proposed amendment provides that the hypothecation of customers' securities held by a clearing corporation or other subsidiary organization of a national securities exchange or national securities association or by a custodian bank pursuant to a central system in which the customers' securities are commingled with others will not of itself constitute a commingling prohibited by the rule. For the exemption to be applicable, the custodian must, in general, agree to deliver the securities that it holds as directed by the system and not assert any claim, right, or lien against the securities; the system must have safeguards for the handling, transfer, and delivery of securities; the system must provide for fidelity bond coverage of employees and agents of the clearing corporation or other subsidiary organization; and the system must contain provisions for periodic examination by independent public accountants. The exemption will be applicable only after the Commission has deemed the above provisions, and any amendments of them, to be adequate for the protection of investors.

It should be emphasized that, while the proposed amendment makes it clear that the presence within a system of a stock certificate representing the interests of various customers and other parties, including pledgees, does not constitute a prohibited commingling under Rule 8c-1 (17 CFR 240.8c-1), it nevertheless does

¹ See Report of Special Study of Securities Markets, Pt. 1, p. 428.

not make legal a hypothecation of securities prohibited by the present rule. Thus, it would constitute a violation of Rule 8c-1 (17 CFR 240.8c-1) to hypothecate the securities of more than one customer of a member, broker, or dealer, to secure a loan unless the consent of each customer is obtained. Similarly, it would constitute a violation under any circumstances to hypothecate the securities of a customer with those of any person other than a customer in order to secure a loan. The proposed amendment of the rule would not in any way affect these prohibitions.

The text of the proposed new paragraph to be added to Rule 8c-1 (17 CFR 240.8c-1) and to Rule 15c2-1 (17 CFR 240.15c2-1) is as follows:

(g) The fact that securities carried for the accounts of customers and securities carried for the accounts of others are represented by one or more certificates in the custody of a clearing corporation or other subsidiary organization of either a national securities exchange or of a registered national securities association, or of a custodian bank, in accordance with a system for the central handling of securities established by a national securities exchange or a registered national securities association, pursuant to which system the hypothecation of such securi-

ties is effected by bookkeeping entries without physical delivery of such securities, shall not, in and of itself, result in a commingling of securities prohibited by paragraph (a) (1) or (2) of this section, whenever a participating member, broker, or dealer hypothecates securities in accordance with such system: *Provided, however*, That (1) any such custodian of any securities held by or for such system shall agree that it will not for any reason refuse or refrain from promptly delivering any such securities to such clearing corporation or other subsidiary organization or as directed by it, except that nothing in such agreement shall be deemed to require the custodian to deliver any securities in contravention of any order issued or judgment directed by a court or governmental agency having jurisdiction over the custodian, and the custodian further shall agree that it will not assert any claim, right, or lien of any nature against any such securities either on its own behalf or on behalf of any other person; (2) such system shall have safeguards in the handling, transfer, and delivery of securities and provisions for fidelity bond coverage of the employees and agents of the clearing corporation or other subsidiary organization and for periodic examinations by independent

public accountants; and (3) the provisions of this paragraph (g) shall not be effective with respect to any particular system unless the agreement required by subparagraph (1) of this paragraph and the safeguards and provisions required by subparagraph (2) of this paragraph shall have been deemed adequate by the Commission for the protection of investors, and unless any subsequent amendments to such agreement, safeguards, or provisions shall have been deemed adequate by the Commission for the protection of investors.

(Secs. 8(c), 15(c)(2), 23(a), 48 Stat. 888, 895, 901, as amended, 15 U.S.C. 78h, 78o, 78w)

All interested persons are invited to submit their views and comments on the above proposal, in writing, to the Securities and Exchange Commission, Washington, D.C., 20549, on or before August 16, 1965. Except where it is requested that such communications not be disclosed they will be considered available for public inspection.

By the Commission.

[SEAL] NELLYE A. THORSEN,
Assistant Secretary.

JULY 16, 1965.

[F.R. Doc. 65-7746; Filed, July 22, 1965; 8:45 a.m.]

Notices

ATOMIC ENERGY COMMISSION

[Docket No. 50-225]

RENSSELAER POLYTECHNIC INSTITUTE

Notice of Proposed Issuance of Facility License Amendment

Please take notice that the Atomic Energy Commission ("the Commission") is considering the issuance of Amendment No. 1, as set forth below, to Facility License No. CX-22 which authorizes Rensselaer Polytechnic Institute ("RPI") to own and possess, but not to operate, its critical experiment facility ("the facility") located in Schenectady, N.Y. The facility was originally owned by Alco Products, Inc., and operated by Allis-Chalmers Manufacturing Co. under License No. CX-14, which license was terminated July 23, 1964, at the requests of the licensees.

The license amendment, in accordance with the application dated August 25, 1964, and amendments thereto dated December 23 and 28, 1964, February 12, 1965, and March 4, 1965 ("the application"), would authorize RPI to operate its facility. Prior to issuance of the amendment a preoperational inspection of the facility will be conducted by representatives of the Commission.

Within fifteen (15) days from the date of publication of this notice in the FEDERAL REGISTER, the applicant may file a request for a hearing, and any person whose interest may be affected by the issuance of this license amendment may file a petition for leave to intervene. A request for a hearing and petitions to intervene shall be filed in accordance with the provisions of the Commission's rules of practice, 10 CFR Part 2. If a request for a hearing or a petition for leave to intervene is filed within the time prescribed in this notice, a notice of hearing or an appropriate order will be issued. If no request for a hearing or a petition for leave to intervene is filed within the time prescribed in this notice, the Commission will issue the license amendment fifteen (15) days from the date of publication of this notice in the FEDERAL REGISTER.

For further details with respect to this proposed license amendment, see (1) the application and amendments thereto, (2) a related safety evaluation prepared by the Research and Power Reactor Safety Branch of the Division of Reactor Licensing, and (3) the Technical Specifications referred to as Appendix A to the proposed facility license amendment, all of which are available for public inspection at the Commission's Public Document Room, 1717 H Street NW., Washington, D.C. A copy of item (2) above may be obtained at the Commission's Public Document Room, or upon request addressed to the Atomic Energy Commission, Washington, D.C., 20545, Attention: Director, Division of Reactor Licensing.

Dated at Bethesda, Md., this 20th day of July 1965.

For the Atomic Energy Commission.

R. L. DOAN,
Director,

Division of Reactor Licensing.

[License No. CX-22; Amdt. 1]

The Atomic Energy Commission having found that:

a. The application complies with the requirements of the Atomic Energy Act of 1954, as amended, and the Commission's regulations set forth in Title 10, Chapter I, CFR;

b. There is reasonable assurance that the facility can be operated at the designated location without endangering the health and safety of the public and that the applicant will comply with the Commission's regulations;

c. Rensselaer Polytechnic Institute is technically and financially qualified to possess and operate the facility, to assume financial responsibility for payment of Commission charges for special nuclear material and to undertake and carry out the proposed activities in accordance with the Commission's regulations;

d. Rensselaer Polytechnic Institute is a nonprofit educational institution and will possess and operate the facility for the conduct of educational activities. Rensselaer Polytechnic Institute is therefore exempt from the financial protection requirement of subsection 170 of the Atomic Energy Act of 1954, as amended;

e. The issuance of this license amendment will not be inimical to the common defense and security or to the health and safety of the public;

Facility License No. CX-22 which authorizes Rensselaer Polytechnic Institute to own and possess, but not to operate the critical experiment facility located in Schenectady, N.Y., is hereby revised in its entirety as follows:

1. This license applies to the critical experiment facility (hereinafter "the facility") which is located in Schenectady, N.Y., and which was previously possessed by Alco Products, Inc., and operated by Allis-Chalmers Manufacturing Co. under Facility License No. CX-14. The facility is described in License No. CX-14A issued December 17, 1963, authorizing Rensselaer Polytechnic Institute (hereinafter "RPI") to acquire legal title to the facility, and is further described in RPI's application dated April 28, 1964, and amendments thereto dated August 25, 1964, and December 23 and 28, 1964, and February 12, 1965, as supplemented March 4, 1965.

2. Subject to the conditions and requirements incorporated herein, the Atomic Energy Commission (hereinafter "the Commission") hereby licenses RPI:

A. Pursuant to section 104c of the Atomic Energy Act of 1954, as amended (hereinafter "the Act"), and Title 10, CFR, Chapter I, Part 50, "Licensing of Production and Utilization Facilities," to possess and operate the facility as a utilization facility at the designated location in Schenectady, N.Y.

B. Pursuant to the Act and Title 10, CFR, Chapter I, Part 70, "Special Nuclear Material," to receive, possess and use up to 75.011 kilograms of uranium-235 in connection with operation of the facility and 80 grams of plutonium encapsulated in a plutonium-beryllium neutron source for use as a reactor startup source.

C. Pursuant to the Act and Title 10, CFR, Chapter I, Part 30, "Licensing of Byproduct

Material," to possess, but not to separate, such byproduct material which has been and will be produced by operation of the facility.

D. Pursuant to the Act and Title 10, CFR, Chapter I, Part 40, "Licensing of Source Material," to receive, possess and use up to 6 kilograms of depleted uranium and 100 grams of normal uranium in connection with operation of the facility.

3. This license shall be deemed to contain and is subject to the conditions specified in § 50.54 of Part 50, § 70.32 of Part 70 and § 30.32 of Part 30 of the Commission's regulations; is subject to all applicable provisions of the Act and rules, regulations and orders of the Commission now or hereafter in effect, and is subject to the additional conditions specified below:

A. *Maximum power level.* RPI is authorized to operate the facility at steady State power levels up to a maximum of 100 watts (thermal).

B. *Technical specifications.* The Technical Specifications contained in Appendix A to this license (hereinafter the "Technical Specifications") are hereby incorporated in this license. RPI shall operate the facility only in accordance with the Technical Specifications. No changes shall be made in the Technical Specifications unless authorized by the Commission as provided in 10 CFR 50.59.

C. *Authorization of changes, tests, and experiments.* RPI may (1) make changes in the reactor as described in the hazards summary report, (2) make changes in the procedures as described in the hazards summary report, and (3) conduct tests or experiments not described in the hazards summary report only in accordance with the provisions of § 50.59 of the Commission's regulations.

D. *Reports.* In addition to reports otherwise required under this license and applicable regulations:

(1) RPI shall inform the Commission of any incident or conditions relating to the operation of the facility which prevented or could have prevented a nuclear system from performing its safety function as described in the Technical Specifications or in the hazards summary report. For each such occurrence, RPI shall promptly notify by telephone or teletype, the Director of the appropriate Atomic Energy Commission Regional Compliance Office listed in Appendix D of 10 CFR Part 20 and shall submit within 10 days a report in writing to the Director, Division of Reactor Licensing, with a copy to the Regional Compliance Office.

(2) RPI shall report to the Commission in writing within 30 days of its observed occurrence any substantial variance disclosed by operation of the facility from performance specifications contained in the hazards summary report or the Technical Specifications.

(3) RPI shall report to the Commission in writing within 30 days of its occurrence any significant change in transient or accident analysis, as described in the hazards summary report.

E. *Records.* In addition to those otherwise required under this license and applicable regulations, RPI shall keep the following records:

(1) Facility operating records, including power levels.

(2) Records of in-pile irradiations.

(3) Records showing radioactivity released or discharged into the air or water beyond the effective control of RPI as measured at the point of such release or discharge.

(4) Records of emergency facility scrams, including reasons for emergency shutdowns.
4. This license, as amended, is effective as of the date of issuance and shall expire at midnight June 30, 1969.

Date of issuance:

For the Atomic Energy Commission.

R. L. DOAN,
Director,

Division of Reactor Licensing.

[F.R. Doc. 65-7811; Filed, July 22, 1965;
8:48 a.m.]

CIVIL AERONAUTICS BOARD

[Docket 15884]

CHICAGO HELICOPTER AIRWAYS, INC.

Notice of Postponement of Hearing

Notice is hereby given, pursuant to the provisions of the Federal Aviation Act of 1958, as amended, that the hearing in the above-entitled proceeding presently scheduled for August 2, 1965, is hereby postponed to August 16, 1965, at 10 a.m., e.d.s.t., in Room 607, Universal Building, 1825 Connecticut Avenue NW., Washington, D.C., before the undersigned Examiner.

Dated at Washington, D.C., July 20, 1965.

[SEAL]

JAMES S. KEITH,
Hearing Examiner.

[F.R. Doc. 65-7763; Filed, July 22, 1965;
8:47 a.m.]

FEDERAL COMMUNICATIONS COMMISSION

[Docket No. 15769, etc.; FCC 65-622]

BROWN RADIO & TELEVISION CO., (WBVL), ET AL.

Memorandum Opinion and Order Designating Applications for Con- solidated Hearing on Stated Issues

In re applications of Dwight L. Brown, trading as Brown Radio & Television Co. (WBVL), Barbourville, Ky., Docket No. 15769 File No. BR-3228, for renewal of license; Barbourville-Community Broadcasting Co., Barbourville, Ky., Docket No. 15770, File No. BP-16297; Golden East Broadcasting Co., Inc., Barbourville, Ky., Docket No. 16105, File No. BP-15827; for construction permits.

1. Before the Commission for consideration are: (1) The application of Dwight L. Brown, trading as Brown Radio and Television Co. (WBVL), for renewal of license of standard broadcast station WBVL operating on 950 kc at Barbourville, Ky.; (2) the application of Barbourville-Community Broadcasting Co. for a construction permit for a new station on the same frequency; (3) the application of the Broadcast Bureau filed May 26, 1965, for review of that portion of a Memorandum Opinion and Order of the Review Board, FCC 65R-179, released May 19, 1965, which denied the petition of Barbourville-Community to enlarge

issues to include a logging falsification issue, and the pleadings responsive thereto;¹ and a "Joint Request for Approval of Agreement and for Other Relief" filed with the Review Board on April 16, 1965, by Brown and Barbourville-Community, and certified to the Commission by the Review Board by Order, FCC 65R-220, released June 15, 1965.² The agreement which was executed on March 31, 1965, provides for the sale of station WBVL to Barbourville-Community upon approval of Brown's renewal application, and the parties thereto seek to have action on the aforementioned petition to enlarge issues³ held in abeyance pending disposition of the joint request for approval of agreement.⁴

Background. 2. The competing applications for the broadcast facilities on 950 kc at Barbourville were designated for hearing in a consolidated proceeding by Order, FCC 64-1198, released December 31, 1964. Thereafter, Barbourville-Community petitioned to enlarge the hearing issues to determine whether Brown possesses the requisite character qualifications to be the licensee of a broadcast facility. The petition is based upon allegations contained in pleadings filed in proceedings relating to the application of Golden East Broadcasting Co., Inc., for a construction permit for a new standard broadcast station to be operated in Barbourville, Ky., on 1490 kc (BP-15827). Walter Powell, Jr., the majority stockholder of Golden East, is a former employee of WBVL who was discharged in 1960 and the character issue centers around the charges and countercharges made by Brown and Powell concerning entries in WBVL's program logs during the period 1958-60. Because of the significance of the representations made to the Commission, we shall set forth in detail the pertinent allegations of the parties in the 950 kc comparative proceeding and in the Golden East proceeding.

3. On June 14, 1960, Brown discharged Powell, then an announcer at WBVL, and gave as one reason for the discharge the fact that Powell had falsified the program logs of the radio station by logging as 10-second spots some which ran for a minute, and by giving spots which

were unscheduled and which Powell did not log. Thereafter, Powell instituted a proceeding for unemployment compensation before the Department of Economic Security, Division of Unemployment Insurance, Frankfort, Ky. In answer to Brown's charges concerning the falsification of program logs, Powell asserted that he had merely followed Brown's orders since otherwise he would have been dismissed. In addition, Powell sent a letter, dated August 8, 1960, to the Commission outlining his difficulties with Brown and charging that, in connection with the renewal application for station license in 1958, Brown had instructed the announcers to log spot announcements as 30 seconds even though they ran as long as 2 minutes; that "about 70 to 90 spots for the Army, Navy, Air Force, etc., as public service announcements" were falsely inserted; that the original logs were then retyped to reflect these changes; that Powell and another announcer, Bob Lockhart, were required to sign the logs or be dismissed; that a former employee Everette Lawson also signed the revised logs; and that the altered logs were submitted to the Commission in connection with the 1958 renewal application.

4. An application for renewal of station license for WBVL was thereafter filed by Brown on June 5, 1961. It appears that an investigation was conducted by the Commission on the basis of the information received from Powell, but the application was granted on April 30, 1963, by the Chief of the Broadcast Bureau pursuant to delegated authority. Prior thereto, on December 27, 1962, Golden East Broadcasting Co., Inc., of which Powell is a 90-percent stockholder, filed its application for a second standard broadcast station at Barbourville. A petition to deny this application was filed on September 3, 1963, by Brown who asserted, *inter alia*, that in view of a finding by the Referee of the Division of Unemployment Insurance concerning Powell's improper log entries while an employee of Station WBVL, the Commission should include a character issue with respect to Golden East.⁵ According to the Referee's decision, a copy of which is attached to the petition to deny, Brown testified at the hearing that Powell "failed to log his commercials properly and had given preference to certain advertisers." An opposition to the petition to deny was filed by Golden East on October 7, 1963, in which it alleged, with respect to the improper logging charges, that at the time of Powell's employment at WBVL, he was unfamiliar with the Commission's rules and regulations; that he was required to follow Brown's instructions or be discharged; and that moreover, as soon as he realized the import of what he had done, he immediately informed the Commission of

¹ As hereinafter set forth, Brown and Barbourville-Community have resolved their differences and they now seek to avoid a hearing. Therefore, each applicant filed an opposition to the Broadcast Bureau's application for review; Barbourville-Community on June 3, 1965, and Brown on June 8, 1965. A reply to the oppositions was filed by the Broadcast Bureau on June 16, 1965.

² On May 10, 1965, the Broadcast Bureau filed an opposition to the joint request, and on May 27, 1965, a reply was filed by the applicants.

³ At the time the agreement was executed, each applicant had pending a motion for enlargement of issues. On Jan. 21, 1965, Brown had filed a motion to enlarge issues, challenging Barbourville-Community's financial qualifications and its character qualifications. However, the Review Board denied this motion by a Memorandum Opinion and Order, FCC 65R-163 released May 7, 1965.

⁴ On Apr. 19, 1965, an application for assignment of station license was filed by Brown (BAL-5431).

⁵ Brown had given additional reasons for Powell's discharge such as use of the business phone for personal calls after being instructed not to do so, and reporting late for work. The Referee held that "The proof submitted in the instant case clearly indicates that the claimant's discharge was the result of his failure to follow instructions and abide by reasonable rules imposed by the employer."

the situation. A copy of Powell's August 3, 1960, letter to the Commission and copies of affidavits submitted to the Division of Unemployment Insurance are attached to the opposition. Particularly relevant to the charged improper logging is the affidavit of William O. Mardis, executed August 31, 1960, who alleged that he had worked with Powell from July 1959 until 1960; that Brown had told the affiant on a number of occasions to "mention on the air a few extra plugs" for a show "emceed" by Powell, and that "I was instructed to log all spots (except just a few 10-second spots) as 30-second spots even if the supposedly 30-second spots ran a minute or longer in length."^{5a} The opposition is verified by Powell.

5. The information set forth in Golden East's opposition was used by Barbourville-Community to support its petition for enlargement of issues in the hearing on Brown's renewal application to permit inquiry into the improper logging charges and into the applicant's character qualifications.⁶ In an opposition filed on February 23, 1965, Brown averred that Powell had been discharged "because he had falsified WBVL's program logs and was suspected of 'taking payola'" and that he had sent a letter to this effect to the Commission on June 14, 1960. Attached to the opposition is an affidavit executed by Brown on February 20, 1965, in which the affiant denies that he ever instructed an employee of station WBVL to make improper entries in the station logs, that there is no truth to the charges made by Powell, and that Powell is merely a disgruntled employee retaliating against Brown for his discharge.⁷ Brown further opposes the addition of a character issue since Powell's charges were submitted to the Commission in 1960, that the Commission investigated the charges and took no action thereon, and that it would be contrary to Brown's rights to a fair hearing "to order an issue raking again into such old, stale, and discredited charges."

6. On March 31, 1965, Barbourville-Community entered into an agreement with Brown for the purchase of Station WBVL, subject to Commission approval.⁸ Thereafter, on April 16, 1965, the parties filed with the Review Board a joint petition requesting that action on the pending petitions for enlargement of issues be

held in abeyance⁹ and that the agreement of the parties be approved. This request was opposed by the Broadcast Bureau and the matter was certified to the Commission by Order, FCC 65R-220, released June 15, 1965.

The logging and character issues. 7. In a Memorandum Opinion and Order, FCC 65R-179, released May 19, 1965, the Review Board (Members Slone and Berkemeyer dissenting), refused to include the requested logging falsification and character issues. The Review Board pointed out that the Commission had been aware of Powell's charges against Brown since 1960, that the matter had thereafter been investigated, that a previous application for renewal of station license had been granted on April 30, 1963, and that on December 24, 1964, the Commission designated Brown's application for hearing without including issues based on Powell's charges. The Review Board held that (par. 9):

On the basis of all of the above, we are of the view that the requested program log issue is not, at this stage of the proceedings, warranted. As is clearly indicated above, in reaching this conclusion we have weighed all the facts herein de novo, including the fact of negative action by the Commission based on almost 5 years of knowledge of the charges involved (footnote omitted).

8. If nothing more were before us than the possibility that Brown may have engaged in improper logging practices between 1958 and 1960, it is unlikely that we would disturb the Review Board's determination. See Howard M. Davis, trading as The Walmac Co., 36 FCC 507 (1964). However, our primary concern here relates to the contradictory statements, under oath, made by Brown and Powell in proceedings currently pending before the Commission and not to "old, stale" charges as Brown claims. Misrepresentations by either applicant in order to gain a personal advantage would constitute a flagrant abuse of the Commission's processes which would necessarily reflect adversely upon the character qualifications of the individual to be the licensee of a broadcast facility. The character issue thus raised must be fully explored in an evidentiary hearing. As we stated in Television Broadcasters, Inc., FCC 65-379, 5 Pike and Fischer RR 2d 155, released May 10, 1965, where the validity of a programming survey was challenged: "the Commission is gravely concerned where, as here, it appears that one or both of the Commission's licensees may have attempted to deceive and mislead the Commission. We have before us conflicting claims, charges, and countercharges which we cannot resolve on the basis of the pleadings alone" (Par. 5). For like reasons, we conclude that the hearing issues with respect to Brown's renewal application must be enlarged to enable us to determine the facts and circumstances sur-

rounding the program logging practices at WBVL and the basis for the representations made by Brown and Powell to the Commission. In view of the foregoing, the Broadcast Bureau's application for review is granted. However, the issue requested by the Bureau will not serve to produce the information we deem to be essential in this case and we shall, therefore, add appropriate issues on our own motion.

9. We further conclude that the application of Golden East for a construction permit for a second standard broadcast station in Barbourville on 1490 kc should be designated for hearing in a consolidated proceeding with the applications of Brown and Barbourville-Community. Duplication of testimony will thus be avoided and the critical character issue arising out of the charges and countercharges by Brown and Powell may be determined in the one proceeding. Since all of the applicants seek broadcast facilities in Barbourville, and the hearings on the applications of Brown and Barbourville-Community were to be held there,¹⁰ we direct that the consolidated proceeding now ordered by us be held in Barbourville.

10. Other than the character issue, we have not here considered the matters raised by Brown in his petition to deny Golden East's application. Moreover, processing of the Golden East application has not been completed and it is possible that additional questions may be raised as a result of such processing. Our decision here is without prejudice to Brown's right to seek enlargement of issues as to any matters advanced in its petition to deny or to the right of any of the parties to raise such additional issues as may appear necessary upon completion of the processing of Golden East's application.

The joint request for approval of agreement. 11. Our decision to add a character issue with respect to Brown's renewal application precludes favorable action on the joint request for approval of the agreement between Brown and Barbourville-Community for acquisition by the latter of WBVL. Under the circumstances of this case, we conclude that the question of assignment should await the resolution of the issue as to whether the applicant possesses the requisite character qualifications to continue as a licensee of the Commission. Cf. Radio 13, Inc., FCC 65-47, 4 Pike & Fischer RR 2d 322 released January 22, 1965.¹¹ We realize, of course, that our decision leaves in the case the standard comparative issue designated by our December 31, 1964, order which the parties sought to eliminate by their agreement.

¹⁰ Pursuant to the request of Barbourville-Community, the Chief Hearing Examiner changed the place of hearing from Washington to Barbourville, Ky. FCC 65M-222, released Feb. 23, 1965.

¹¹ We also note that the parties have reserved the right to terminate the agreement if the Commission holds that no renewal will be granted except after an evidentiary hearing. Since we so hold, either party may exercise its option to terminate and the question of Commission approval will be mooted.

^{5a} The affidavit was used in the 1960 unemployment compensation case, but it does not appear to have been brought to the attention of the Commission prior to the filing of Golden East's opposition on Oct. 8, 1963.

⁶ Other issues requested by Barbourville-Community are not pertinent to the matters under consideration here.

⁷ With the affidavit, there was submitted a copy of an undated letter alleged by Brown to have been sent by him to the Commission on June 14, 1960. Since the letter refers to the decision of the Referee of the Division of Unemployment Insurance issued on Sept. 8, 1960, the letter manifestly could not have been written on June 14, 1960.

⁸ The agreement also provides for the sale of a business operated by Brown known as "Brown's Discount Store." However, we deem it unnecessary to consider this aspect of the agreement in the resolution of the matter now before us.

⁹ A prior motion by Barbourville-Community filed Mar. 11, 1965, for suspension of action on the requests for enlargement of issues on the ground that the parties had reached an understanding concerning the purchase of the station was denied by the Review Board in a Memorandum Opinion and Order, FCC 65R-115, released Mar. 30, 1965.

However, the settlement of private differences may not be permitted to remove from consideration so critical a public interest factor as the character of an applicant. The joint request for approval of the agreement is therefore denied.

Accordingly, it is ordered, This 14th day of July 1965, that the application for review filed by the Broadcast Bureau on May 26, 1965, is granted.

It is further ordered, That, pursuant to section 309(e) of the Communications Act of 1934, as amended, the application of Golden East Broadcasting Co., Inc., for a construction permit (BP-15827) is designated for hearing in a consolidated proceeding with the applications of Dwight L. Brown, trading as Brown Radio and Television Co. (WBVL), for renewal of license (Docket No. 15769) and the application of Barbourville Broadcasting Co. for a construction permit (Docket No. 15770), to be held in Barbourville, Ky., at a time to be specified in a subsequent order.

It is further ordered, That, on the Commission's own motion, the hearing issues in the above-captioned applications are designated to include, in addition to the issues set forth in our order of designation, FCC 64-1198, released December 31, 1964, the following:

(a) To determine the facts and circumstances surrounding the improper logging practices followed at WBVL between 1958 and 1960, inclusive.

(b) To determine, in the light of the evidence adduced pursuant to the foregoing issue, whether Dwight L. Brown has made misrepresentations to the Commission or has in any manner attempted to deceive or mislead the Commission.

(c) To determine, in the light of the evidence adduced pursuant to the foregoing issue, whether the principals, agents, employees, or representatives of Golden East Broadcasting Co., Inc., have made misrepresentations to the Commission or have in any manner attempted to deceive or mislead the Commission.

(d) To determine, in the light of the evidence adduced pursuant to the foregoing issues, whether Dwight L. Brown possesses the requisite character qualifications to be a broadcast licensee.

(e) To determine, in the light of the evidence adduced pursuant to the foregoing issues, whether Golden East Broadcasting Co., Inc., possesses the requisite character qualifications to be a broadcast licensee.

(f) To determine, in the light of the evidence adduced pursuant to the foregoing issues, whether a grant of the application of Dwight L. Brown, trading as Brown Radio and Television Co. (WBVL), for renewal of license would serve the public interest, convenience, and necessity.

(g) To determine, in the light of the evidence adduced pursuant to the foregoing issues, whether a grant of the application of Golden East Broadcasting Co., Inc., for a construction permit would serve the public interest, convenience, and necessity.

It is further ordered, That the joint request for approval of agreement filed on April 16, 1965, by Dwight L. Brown, trading as Brown Radio and Television Co. (WBVL), and Barbourville-Community Broadcasting Co., is denied.

It is further ordered, That, to avail themselves of the opportunity to be heard, the applicants herein, pursuant to § 1.221(c) of the Commission's rules, in person or by attorney, shall, within twenty (20) days of the mailing of this order, file with the Commission in triplicate, a written appearance stating an intention to appear on the date set for the hearing and present evidence on the issues specified in this order.

It is further ordered, That the applicants herein shall, pursuant to section 311(a) (2) of the Communications Act of 1934, as amended, and § 1.594(a) of the Commission's rules, give notice of the hearing within the time and in the manner prescribed in such rule, and shall advise the Commission of the publication of such notice as required by § 1.594(g) of the rules.

Released: July 20, 1965.

FEDERAL COMMUNICATIONS
COMMISSION,

[SEAL] BEN F. WAPLE,
Secretary.

[F.R. Doc. 65-7768; Filed, July 22, 1965;
8:48 a.m.]

[Docket No. 16120; FCC 65-645]

JEFFERSON RADIO CO. (KABE)

Order Designating Application for Hearing on Stated Issues

In re application of Abraham Rosenstock trading as Jefferson Radio Co. (KABE), Docket No. 16120, File No. BL-10568; for license to cover construction permit BP-15289 authorizing a new standard broadcast station at Westwego, La.

At a session of the Federal Communications Commission held at its offices in Washington, D.C., on the 14th day of July 1965:

The Commission having under consideration (1) the above-captioned application; and (2) the Commission's field inquiry with respect to Abraham Rosenstock and the operations of Station KABE;¹ and

It appearing, that, on July 16, 1963, the Commission granted the application of Abraham Rosenstock trading as Jefferson Radio Co., to construct a new standard broadcast station at Westwego, La., to which the call letters KABE were assigned; and

It further appearing, that, on April 1, 1964, Abraham Rosenstock trading as Jefferson Radio Co., filed an application

for license to cover the said construction permit, which application is now pending before the Commission; and

It further appearing, that, the Commission's inquiry with respect to the above-captioned applicant and the operations of Station KABE raises a number of serious questions bearing upon whether Abraham Rosenstock is qualified to be a licensee or permittee of the Commission; and

It further appearing, that, in view of these questions the Commission is unable to find that a grant of the above-captioned application would serve the public interest, convenience, and necessity and must, therefore, designate this application for a hearing:

It is ordered, That, pursuant to sections 309(e) and 319(c) of the Communications Act of 1934, as amended, the above-captioned application is designated for a hearing, at a time and place to be specified in a subsequent order, upon the following issues:

1. To determine all of the facts and circumstances with respect to financing the construction and operation of Station KABE;

2. To determine whether Abraham Rosenstock has relinquished control of Station KABE to any person without receiving prior consent of the Commission, in violation of section 310(b) of the Communications Act and §§ 1.613 and 1.615 of the Commission's rules;

3. To determine whether the application for construction permit, or other applications, correspondence and documents filed with the Commission relative to the financing and operation of the station and the financial qualifications of Abraham Rosenstock contained misrepresentations or omissions of fact;

4. To determine whether, in light of the evidence adduced with respect to the foregoing issues, Abraham Rosenstock trading as Jefferson Radio Co., possesses the requisite qualifications to be a licensee of the Commission;

5. To determine whether, in light of the evidence adduced with respect to the foregoing issues, a grant of the above-captioned application would serve the public interest, convenience and necessity;

It is further ordered, That, to avail himself of the opportunity to be heard, the applicant herein, pursuant to § 1.221 of the Commission's rules, in person or by attorney, shall within twenty (20) days of the mailing of this order file with the Commission in triplicate a written appearance stating an intent to appear on the date fixed for the hearing and present evidence on the issues specified in this order.

It is further ordered, That the Chief, Broadcast Bureau, shall furnish a Bill of Particulars to the applicant herein setting forth the basis for the above issues. See Dispatch Inc., 10 R.R. 1190.

It is further ordered, That the applicant herein shall, pursuant to section 311(a) (2) of the Communications Act of 1934, as amended, and § 1.594 of the Commission's rules and regulations, give notice of the hearing within the time and in the manner prescribed in such

¹ The Commission also has under consideration an application for Commission consent to the assignment of the construction permit for Station KABE to Audubon Broadcasting Corp. (File No. BAP-699). Action on this application will be held in abeyance pending the conclusion of the hearing ordered herein. Jefferson Radio Co. Inc., 340 F.2d 781.

rule, and shall advise the Commission thereof as required by § 1.594 of the Commission's rules and regulations.

Released: July 20, 1965.

FEDERAL COMMUNICATIONS
COMMISSION,²
[SEAL] BEN F. WAPLE,
Secretary.

[F.R. Doc. 65-7769; Filed, July 22, 1965;
8:48 a.m.]

[Docket No. 15995; FCC 65R-270]

KENT-SUSSEX BROADCASTING CO.

Order Amending Issues

In re application of H. M. Griffith, Jr., and C. V. Lundstedt, a partnership doing business as The Kent-Sussex Broadcasting Co., Docket No. 15995, File No. BR-2885; for renewal of license of Station WKSB, Milford, Del.

The Review Board having before it for consideration a petition to enlarge issues, filed on June 9, 1965, by the Commission's Broadcast Bureau, an opposition filed on June 30, 1965, by Kent-Sussex Broadcasting Co., and the reply filed on July 13, 1965, by the Broadcast Bureau.

It appearing, that among the issues listed for hearing is one (No. 4) inquiring as to the reasons for the applicant's failure to file Annual Financial Reports for the years 1961, 1962, and 1963;

It further appearing, that because the applicant had not, by the date of the petition, filed an Annual Financial Report for 1964 (due Apr. 1, 1965—see § 1.611 of the Commission's rules), the Broadcast Bureau requests that "1964" be added to Issue 4;

It further appearing, that on the same day it filed its opposition herein, the applicant filed its Annual Financial Report for 1964;

It further appearing, that although the applicant regards the petition as now moot, the failure to timely file the 1964 Report—viewed in the light of the other apparent failures and violations referred to in the Commission's order designating the application for hearing—raises an additional public interest question requiring resolution at the hearing.

It is ordered, This 19th day of July 1965, that (a) the petition to enlarge issues, filed by the Broadcast Bureau on June 9, 1965, is granted in substance; and (b) Issue 4 in this proceeding is changed to read as follows:

4. To determine the reasons for licensee's failure to file Annual Financial Reports for 1961, 1962, and 1963, and the reasons for its failure to timely file its Annual Financial Report for 1964.

Released: July 20, 1965.

FEDERAL COMMUNICATIONS
COMMISSION,
[SEAL] BEN F. WAPLE,
Secretary.

[F.R. Doc. 65-7770; Filed, July 22, 1965;
8:48 a.m.]

² Commissioner Wadsworth absent.

[Docket Nos. 15872-15874; FCC 65M-935]

NORTHLAND TELEVISION CORP. ET AL.

Order Continuing Hearing

In re applications of Northland Television Corp., Duluth, Minn., Docket No. 15872, File No. BPCT-3359; Central Minnesota Television Co., Duluth, Minn., Docket No. 15873, File No. BPCT-3386; Channel 10, Inc., Duluth, Minn., Docket No. 15874, File No. BPCT-3404; for construction permit for new television broadcast station.

The Hearing Examiner having under consideration:

(1) Order After Prehearing Conference, released April 8, 1965 (FCC 65M-341), in the above-entitled proceeding;

(2) Order, released June 1, 1965 (FCC 65M-696), and especially footnote 1 thereto, changing the procedural dates and postponing the hearing to afford the parties an opportunity to complete negotiations looking towards the disposition of this proceeding by settlement; and

(3) The voluminous documents, including a "Joint Request for Approval of Agreement Among Competing Applicants", which were filed on July 16, the deadline established by Item (2) above, and which are now before the Review Board for its consideration:

It is ordered, This 19th day of July 1965, on the Hearing Examiner's own motion, that the hearing in the above-entitled proceeding is hereby rescheduled to commence at 10 a.m., Monday, November 1, 1965, at the Commission's offices, Washington, D.C., in order to provide time for the Review Board's consideration of the settlement agreement; and

It is ordered further, That all other procedural dates heretofore scheduled are hereby canceled, it being contemplated, in the event the settlement agreement should be disapproved, that new dates will be established at a further prehearing conference which will then be scheduled on the Examiner's own motion.

Released: July 19, 1965.

FEDERAL COMMUNICATIONS
COMMISSION,
[SEAL] BEN F. WAPLE,
Secretary.

[F.R. Doc. 65-7771; Filed, July 22, 1965;
8:48 a.m.]

[Docket Nos. 15886, 15887; FCC 65M-940]

WMEN, INC., AND TALLAHASSEE APPLIANCE CORP.

Order Continuing, Prehearing Conference

In re applications of WMEN, Inc., Tallahassee, Fla., Docket No. 15886, File No. BPH-4127; Tallahassee Appliance Corp., Tallahassee, Fla., Docket No. 15887, File No. BPH-4228; for construction permits.

The Hearing Examiner having under consideration the matters discussed at the prehearing conference held April 23,

1965 (Tr. 6-9, 11-13), and the fact that the Initial Decision has not yet been released in the Matter of Revocation of License of Radio Station WTTP, Inc. (Docket No. 15176), and in re applications of WDMG, Inc., et al. (Docket Nos. 15177, 15274, and 15275):

It is ordered, This 19th day of July 1965, on the Hearing Examiner's own motion, that the further prehearing conference presently scheduled for July 23, 1965, is continued to 2 p.m., September 8, 1965.

Released: July 20, 1965.

FEDERAL COMMUNICATIONS
COMMISSION,
[SEAL] BEN F. WAPLE,
Secretary.

[F.R. Doc. 65-7772; Filed, July 22, 1965;
8:48 a.m.]

FEDERAL POWER COMMISSION

[Docket No. G-3277, etc.]

JAMES D. HELDT ET AL.

Findings and Order

JULY 14, 1965.

Findings and order after statutory hearing issuing certificates of public convenience and necessity, amending certificates, permitting and approving abandonment of service, terminating certificates, cancelling docket number, substituting respondent, making successor co-respondent, redesignating proceedings, requiring filing of surety bond, accepting surety bond for filing, requiring filing of agreement and undertaking, terminating rate proceeding, cancelling rate schedule, and accepting related rate schedules and supplements for filing.

Each of the Applicants listed herein has filed an application pursuant to section 7 of the Natural Gas Act for a certificate of public convenience and necessity authorizing the sale and delivery of natural gas in interstate commerce, for permission and approval to abandon service, or a petition to amend an existing certificate authorization, all as more fully described in the respective applications and petitions (and any supplements or amendments thereto) which are on file with the Commission.

The Applicants herein have filed related FPC Gas Rate Schedules and propose to initiate or abandon, add or delete natural gas service in interstate commerce as indicated by the tabulation herein. All sales certificated herein are either equal to or below the ceiling prices established by the Commission's Statement of General Policy 61-1, as amended, or involve sales for which permanent certificates have been previously issued.

Rodman & Late, Applicants in Docket No. G-14752, propose to continue the sale of natural gas heretofore authorized in said docket and made pursuant to Rodman, Late & Noel FPC Gas Rate Schedule No. 1. Rodman has acquired Noel's interest in the producing prop-

erties as of June 1, 1964. The presently effective rate under Rodman, Late & Noel's rate schedule is in effect subject to refund in Docket No. G-19952,¹ and they have filed a surety bond to assure the refund of any amount collected in excess of the amount determined to be just and reasonable in said proceeding. Inasmuch as Noel will no longer collect any amounts subject to refund, Rodman & Late will be required to file a rider to the surety bond or a new surety bond to assure the refund by them of any amount collected after June 1, 1964, in excess of the amount determined to be just and reasonable in Docket No. G-19952.

Brooks Gas Corp., Applicant in Docket No. G-19534, proposes to continue the sale of natural gas heretofore authorized in said docket to be made pursuant to Mertzon Corp. FPC Gas Rate Schedule No. 1. Brooks, which has merged with Mertzon, was authorized in Docket No. CI62-247 to sell the Mertzon gas purchased from producers thereof for resale by Mertzon to Northern Natural Gas Co. The presently effective rate under Mertzon's rate schedule, which will be redesignated as a rate schedule of Brooks, is in effect subject to refund in Docket No. RI65-325. The presently effective rate under Brooks' rate schedule for sales to Mertzon is in effect subject to refund in Docket No. RI65-326. The increased rate was made effective subject to refund in Docket No. RI65-326 subsequent to the time that Brooks merged with Mertzon. Accordingly, the proceeding pending in Docket No. RI65-326 will be terminated, Brooks will be substituted in lieu of Mertzon as respondent in the proceeding pending in Docket No. RI65-325, said proceeding will be redesignated, and Brooks will be required to file an agreement and undertaking in Docket No. RI65-325 to assure the refund of any amount collected in excess of the amount determined to be just and reasonable in said proceeding. The certificate heretofore issued in Docket No. CI62-247 will be terminated and Brooks' related FPC Gas Rate Schedule No. 1 will be canceled.

Calvert Exploration Co. (Operator) et al., Applicant in Docket No. CI64-593, proposes to continue in part the sale of natural gas heretofore authorized in said docket and made pursuant to Mid-America Minerals, Inc., FPC Gas Rate Schedule No. 7. The related rate schedule will be redesignated as that of Calvert. The presently effective rate under said rate schedule is in effect subject to refund in Docket No. RI63-409,² and Calvert has filed a surety bond to assure the refund of any amount collected by it in excess of the amount determined to be just and reasonable in said proceeding. Accordingly, Calvert will be made a corespondent in the proceeding pending in Docket No. RI63-409, the proceeding will be redesignated, and the surety bond will be accepted for filing.

Ben H. Schnapp (Operator) et al., Applicant in Docket No. CI60-642, proposes to abandon the sale of natural gas heretofore authorized by an unconditioned temporary certificate issued in said docket. The certificate application in Docket No. CI60-642 is consolidated with the proceeding pending in Docket No. G-18077 et al. Inasmuch as there is a possibility that some portion of the initial rate will have to be refunded,³ the abandonment will be permitted and approved but Applicant will remain responsible for any refunds which finally may be ordered. Docket No. CI60-642 will remain consolidated with Docket No. G-18077 et al., for determination of the refund question.

George Hammonds, Applicant in Docket No. CI65-1230, proposes to abandon the sale of natural gas to Southern Natural Gas Co. which sale has been authorized by a temporary certificate issued in Docket No. CI64-112. The temporary certificate provides for an initial rate of 21.25 cents per Mcf at 15.025 p.s.i.a., inclusive of tax reimbursement, subject to possible refund down to 20 cents per Mcf. Applicant has indicated his unwillingness to accept a permanent certificate at the 20-cent rate. Inasmuch as Applicant has transferred his interest in the producing properties to the gas purchaser, permission and approval to abandon the subject sale will be granted on the condition that Applicant execute and file with the Commission an agreement and undertaking to assure the refund of any amount, together with interest at the rate of 7 percent per annum, collected from Southern Natural Gas Co. in excess of the rate determined to be required by the public convenience and necessity in Docket No. CI64-112 down to 20 cents per Mcf. The abandonment will be authorized in the pending proceeding in Docket No. CI64-112, the temporary certificate issued in said proceeding will be terminated, and Docket No. CI65-1230 will be canceled. The proceeding pending in Docket No. CI64-112 will remain pending for the purpose of determining the initial rate required by the public convenience and necessity.

After due notice, no petitions to intervene, notices of intervention, or protests to the granting of any of the respective applications or petitions in this order have been received.

At a hearing held on July 8, 1965, the Commission on its own motion received and made a part of the record in these proceedings all evidence including the applications, amendments and exhibits thereto, submitted in support of the respective authorizations sought herein, and upon consideration of the record,

The Commission finds:

(1) Each Applicant herein is a "natural-gas company" within the meaning of the Natural Gas Act as heretofore found by the Commission or will be engaged in the sale of natural gas in interstate commerce for resale for ultimate

public consumption, subject to the jurisdiction of the Commission, and will, therefore, be a "natural-gas company" within the meaning of said Act upon the commencement of the service under the respective authorizations granted hereinafter.

(2) The sales of natural gas hereinbefore described, as more fully described in the respective applications, amendments and/or supplements herein, will be made in interstate commerce, subject to the jurisdiction of the Commission, and such sales by the respective Applicants, together with the construction and operation of any facilities subject to the jurisdiction of the Commission necessary therefor, are subject to the requirements of subsections (c) and (e) of section 7 of the Natural Gas Act.

(3) The sales of natural gas by the respective Applicants, together with the construction and operation of any facilities subject to the jurisdiction of the Commission necessary therefor, are required by the public convenience and necessity and certificates therefor should be issued as hereinafter ordered and conditioned.

(4) The respective Applicants are able and willing properly to do the acts and to perform the services proposed and to conform to the provisions of the Natural Gas Act and the requirements, rules and regulations of the Commission thereunder.

(5) It is necessary and appropriate in carrying out the provisions of the Natural Gas Act and the public convenience and necessity require that the certificate authorizations heretofore issued in Docket Nos. G-3277, G-6670, G-7099, G-7650, G-10890, G-11564, G-14752, G-16139, G-16218, G-19534, CI61-524, CI62-673, CI62-1042, CI63-783, CI63-1040, CI64-69, CI64-157, CI64-286, CI64-593, CI64-836, and CI65-612 should be amended as hereinafter ordered.

(6) The sales of natural gas proposed to be abandoned by the respective Applicants, as hereinbefore described, all as more fully described in the tabulation herein and in the respective applications, are subject to the requirements of subsection (b) of section 7 of the Natural Gas Act, and such abandonments should be permitted and approved as hereinafter ordered.

(7) It is necessary and appropriate in carrying out the provisions of the Natural Gas Act that Docket No. CI65-1230 should be canceled, that the abandonment requested in Docket No. CI65-1230 should be authorized in Docket No. CI64-112, that the temporary certificate heretofore issued in Docket No. CI64-112 should be terminated, and that the abandonment permitted and approved in Docket No. CI64-112 should be conditioned upon the filing of an agreement and undertaking by Applicant therein.

(8) The certificates of public convenience and necessity heretofore issued to the respective Applicants herein relating to the abandonments hereinafter permitted and approved should be terminated.

¹ Consolidated with Docket No. AR61-1 et al.

² Consolidated with Docket No. AR64-1 et al.

³ See P.S.C. of New York v. FPC, 329 F. 2d 242, cert. denied sub nom. Prado Oil & Gas Co. v. FPC, 377 U.S. 963.

(9) It is necessary and appropriate in carrying out the provisions of the Natural Gas Act that Rodman & Late should be required to file in Docket No. G-19952 a rider to their surety bond or a new surety bond to assure the refund by them of any amount collected after June 1, 1964, in excess of the amount determined to be just and reasonable in said proceeding.

(10) It is necessary and appropriate in carrying out the provisions of the Natural Gas Act that the certificate heretofore issued in Docket No. CI62-247 should be terminated and Brooks Gas Corp.'s related FPC Gas Rate Schedule No. 1 should be canceled.

(11) It is necessary and appropriate in carrying out the provisions of the Natural Gas Act that the proceeding pending in Docket No. RI65-326 should be terminated, that Brooks Gas Corp. should be substituted in lieu of Mertzon Corp. as respondent in the proceeding pending in Docket No. RI65-325, that said proceeding should be redesignated accordingly, and that Brooks Gas Corp. should be required to file an agreement and undertaking in Docket No. RI65-325.

(12) It is necessary and appropriate in carrying out the provisions of the Natural Gas Act that Calvert Exploration Co. (Operator) et al., should be made a co-respondent in the proceeding pending in Docket No. RI63-409, that said proceeding should be redesignated accordingly, and that the surety bond submitted by Calvert in said proceeding should be accepted for filing.

(13) The respective related rate schedules and supplements as designated or redesignated in the tabulation herein should be accepted for filing as herein-after ordered.

The Commission orders:

(A) Certificates of public convenience and necessity are hereby issued, upon the terms and conditions of this order, authorizing the sales by the respective Applicants herein of natural gas in interstate commerce for resale, together with the construction and operation of any facilities subject to the jurisdiction of the Commission necessary for such sales, all as hereinbefore described and as more fully described in the respective applications, amendments, supplements and exhibits in this proceeding.

(B) The certificates granted in paragraph (A) above are not transferable and shall be effective only so long as Applicants continue the acts or operations hereby authorized in accordance with the provisions of the Natural Gas Act and the applicable rules, regulations and orders of the Commission.

(C) The grant of the certificates issued in paragraph (A) above shall not be construed as a waiver of the requirements of section 4 of the Natural Gas Act or of Part 154 or Part 157 of the Commission's regulations thereunder, and is without prejudice to any findings or orders which have been or may hereafter be made by the Commission in any proceeding now pending or hereafter in-

stituted by or against the respective Applicants. Further, our action in this proceeding shall not foreclose nor prejudice any future proceedings or objections relating to the operation of any price or related provisions in the gas purchase contracts herein involved. Nor shall the grant of the certificates aforesaid for service to the particular customers involved imply approval of all of the terms of the respective contracts, particularly as to the cessation of service upon termination of said contracts, as provided by section 7(b) of the Natural Gas Act. Nor shall the grant of the certificates aforesaid be construed to preclude the imposition of any sanctions pursuant to the provisions of the Natural Gas Act for the unauthorized commencement of any sales of natural gas subject to said certificates.

(D) The grant of the certificates issued herein on all applications filed after April 15, 1965, is upon the condition that no increase in rate shall be filed prior to the applicable date, as indicated by footnotes 4 and 19 in the attached tabulation, which would exceed the ceiling prescribed for the given area by paragraph (d) of the Commission's Statement of General Policy 61-1, as amended.

(E) The certificate issued herein in Docket No. CI65-1190 is hereby subject to the conditions set forth in paragraphs (C), (D), and (E) of the order accompanying Opinion No. 353 (27 FPC 449).

(F) The certificate issued herein in Docket No. CI65-1193 involving the sale of gas by Texas Gas Exploration Corp., (Operator) et al., to its parent, Texas Gas Transmission Corp., is without prejudice to any action which the Commission may take in any subsequent proceeding involving either company.

(G) The certificates heretofore issued to the respective Applicants in Docket Nos. G-6670, G-7650, G-16139, G-16218, CI62-673, CI63-783, CI63-1040, CI64-157, CI64-286, CI64-836, and CI65-612 are hereby amended by adding thereto or deleting therefrom authorization to sell natural gas to the same purchasers and in the same areas as covered by the original authorizations, pursuant to the rate schedule supplements as indicated in the tabulation herein.

(H) The certificate heretofore issued in Docket No. CI61-524 is hereby amended to include the sale of natural gas from the additional acreage and such authorization is subject to the conditions set forth in paragraphs (C), (D), and (E) of the order accompanying Opinion No. 353 (27 FPC 449).

(I) The certificate heretofore issued in Docket No. CI64-69 is hereby amended to include the sale of natural gas from the additional acreage, the related rate schedule is redesignated as Shell Oil Co. (Operator) et al., and such authorization is subject to the conditions set forth in paragraphs (E), (F), and (G) of the order accompanying Opinion No. 350 (27 FPC 35).

(J) The certificates heretofore issued in Docket Nos. G-7099 and G-10890 are

hereby amended to reflect Franks Petroleum, Agent as Operator in lieu of James E. Kemp (Operator) et al.

(K) The certificates heretofore issued in Docket Nos. G-3277, G-11564, G-14752, G-19534, CI62-1042, and CI64-593 are hereby amended by changing the certificate holders to the respective successors in interest as indicated in the tabulation herein.

(L) Permission for and approval of the abandonment of service by the respective Applicants, as hereinbefore described and as more fully described in the respective applications herein are hereby granted.

(M) The abandonment herein permitted and approved in Docket No. CI60-642 does not relieve Applicant therein from the responsibility for any refunds which finally may be ordered in said docket. Applicant is hereby required to advise the Commission as to the date sales commence in intrastate service.

(N) Docket No. CI65-1230 is hereby canceled.

(O) The temporary certificate heretofore issued in Docket No. CI64-112 is hereby terminated and the abandonment permitted and approved in said docket is conditioned upon the execution and filing with the Commission by Applicant therein, within 30 days of the date of this order, of an agreement and undertaking to assure the refund of any amount, together with interest at the rate of 7 percent per annum, collected from Southern Natural Gas Co. from the date of initial delivery to the date of abandonment authorization in excess of the rate determined to be required by the public convenience and necessity in Docket No. CI64-112 down to 20 cents per Mcf at 15.025 p.s.i.a., inclusive of tax reimbursement. Unless notified to the contrary by the Secretary of the Commission within 30 days from the date of submission, such agreement and undertaking shall be deemed to have been accepted for filing.

(P) The certificates heretofore issued in Docket Nos. G-6012, G-14673, CI61-585, and CI61-690 are hereby terminated.

(Q) Within 30 days from the issuance of this order Rodman & Late shall execute and shall file with the Secretary of the Commission a rider to the surety bond or a new surety bond in Docket No. G-19952 to assure the refund by them, together with interest at the rate of 7 percent per annum, of any amount collected after June 1, 1964, in excess of the amount determined to be just and reasonable in said proceeding. Unless notified to the contrary by the Secretary of the Commission within 30 days from the date of submission, such rider or surety bond shall be deemed to have been accepted for filing. The surety bond filed by Rodman, Late & Noel in Docket No. G-19952 shall remain in full force and effect with respect to sales made by them prior to June 1, 1964.

(R) Rodman & Late shall comply with the refunding and reporting procedure required by the Natural Gas Act

and § 154.102 of the regulations thereunder, and the surety bond or rider filed by them in Docket No. G-19952 shall remain in full force and effect until discharged by the Commission.

(S) The certificate heretofore issued to Brooks Gas Corp. in Docket No. CI62-247 is hereby terminated and Brooks' related FPC Gas Rate Schedule No. 1 is hereby canceled.

(T) The proceeding pending in Docket No. RI65-326 is hereby terminated.

(U) Brooks Gas Corp. is hereby substituted in lieu of Mertzon Corp., as respondent in the proceeding pending in Docket No. RI65-325 and said proceeding is redesignated accordingly.⁴

(V) Within 30 days from the issuance of this order, Brooks Gas Corp. shall execute, in the form set out below, and shall file with the Secretary of the Commission an acceptable agreement and undertaking in Docket No. RI65-325 to assure the refund of any amount, together with interest at the rate of 7 percent per annum, collected in excess of the amount determined to be just and reasonable in said proceeding. Unless notified to the contrary by the Secretary of the Commission within 30 days from the date of submission, such agreement and undertaking shall be deemed to have been accepted for filing.

(W) Brooks Gas Corp. shall comply with the refunding and reporting procedure required by the Natural Gas Act and § 154.102 of the regulations thereunder, and the agreement and undertaking filed by Brooks Gas Corp. in Docket No. RI65-325 shall remain in full force and effect until discharged by the Commission.

(X) Calvert Exploration Co. (Operator) et al., is hereby made a co-respondent in the proceeding pending in Docket No. RI63-409, said proceeding is redesignated accordingly,⁵ and the surety bond submitted by Calvert in said proceeding is accepted for filing.

(Y) Calvert Exploration Co. (Operator) et al., shall comply with the refunding and reporting procedure required by the Natural Gas Act and § 154.102 of the regulations thereunder, and the surety bond filed by Calvert in Docket No. RI63-409 shall remain in full force and effect until discharged by the Commission.

(Z) The respective related rate schedules and supplements as indicated in the tabulation herein are hereby accepted for filing; further, the rate schedules relating to the successions herein are hereby redesignated and accepted, subject to the applicable Commission Regulations under the Natural Gas Act to be effective on the dates as indicated in the tabulation herein.

By the Commission.

[SEAL] JOSEPH H. GUTRIE,
Secretary.

Docket No. and date filed	Applicant	Purchaser, field, and location	FPC rate schedule to be accepted		
			Description and date of document	No.	Supp.
G-3277- E 5-21-65 6-10-65 ¹	James D. Heldt (Operator), et al. (successor to Seneca Development Co. (Operator), et al.).	United Gas Pipe Line Co., Cotton Valley Field, Webster Parish, La.	Seneca Development Co. (Operator), et al., FPC GRS No. 1. Supplement Nos. 1-11. Notice of succession 5-17-65. Assignment 2-1-65 ² . Effective date: 2-1-65. Agreement 12-4-64 ³ .	1 1 1 27	1-11 12
G-6670- C 4-29-65 ⁴	Sun Oil Co. (Gulf Coast Division).	Transcontinental Gas Pipe Line Corp., North Markham-North Bay City Field, Matagorda County, Tex.	James E. Kemp (Operator), et al., FPC GRS No. 4. Supplement Nos. 1-6. Notice of succession 2-28-65. Effective date: 2-1-65. Notice of partial cancellation 2-9-65. ⁵ Assignment 5-15-62. ¹⁰ Notice of partial cancellation 2-3-65. ^{11 12}	3 3 287 287	1-6 1-6 7 8
G-7099- 3-12-65 ⁶	Franks Petroleum, Agent (Operator), et al. ⁷ (formerly James E. Kemp (Operator), et al.).	Tennessee Gas Transmission Co., South Hallsville Field, Panola County, Tex.	James E. Kemp (Operator), et al., FPC GRS No. 5. Supplement Nos. 1-6. Notice of succession 2-28-65. Effective date: 2-1-65.	4 4 315	1-6 1-6
G-7650- D 2-9-65 ⁸	Socony Mobil Oil Co. Inc., et al.	United Gas Pipe Line Co., Refugio Area, Refugio County, Tex.	Honolulu Oil Corp. (Operator), et al., FPC GRS No. 3. Supplement Nos. 1-2. Notice of succession 9-27-61. Letter agreement 12-3-62. Letter agreement 12-3-62. Notice of change 10-9-63. Rodman, Late & Noel, FPC GRS No. 1. Supplement Nos. 1-5. Assignment 7-11-64. ¹³ Effective date: 6-1-64. Letter agreement 3-25-65. ^{14 15}	287 287 4 4 1 1 195	7 1-7 8 1-6 5 22
G-10390- 3-12-65 ⁶	Franks Petroleum, Agent (Operator), et al. ⁷ (formerly James E. Kemp (Operator), et al.).	United Gas Pipe Line Co., Bethany Field, Harrison and Panola Counties, Tex.	Letter agreement 4-26-65. ^{16 17}	4 4 315 1 1 196	1-6 1-6 5 34
G-11564- E 10-2-61	Pan American Petroleum Corp., Operator (successor to Honolulu Oil Corp. (Operator), et al.).	Northern Natural Gas Co., Prentice Gasoline Plant, Yoakum County, Tex.	Mertzon Corp., FPC GRS No. 1. Supplement Nos. 1-3. Notice of succession 12-28-64. Certification of merger 12-28-64. Effective date: 12-28-64. Notice of cancellation 3-22-65. ^{18 19}	315 315 315 1 1 268 268 1	1-2 3 4 5 1-3 4 5
G-14762- E 5-10-65	Rodman & Late (successor to Rodman, Late & Noel).	El Paso Natural Gas Co., Spraberry Area, Reagan County, Tex.	Ratification agreement 10-31-64. Ratification agreement 11-28-64. ^{21 22} Amendment agreement 1-13-65. ²³	1 1 1 268 268 1	1-6 5 24 25 5
G-16139- D 5-3-65	Gulf Oil Corp.	Transwestern Pipeline Co., Panhandle Area, Roberts County, Tex.	John R. Robinson, et al. d.b.a. Edna Moore, et al., No. 1, FPC GRS No. 8. Notice of succession 3-16-65. Assignment 9-10-63. ²⁴ Agreement 7-11-64. ²⁴ Effective date: 9-19-63. Contract 7-23-62. Amendment 11-1-62. ^{25 26}	4 4 4 1 1 1 1	1-3 4 4 1 1 1
G-16218- D 5-26-65	Gulf Oil Corp. (Operator), et al.	Transwestern Pipeline Co., Como Area, Beaver County, Okla.	Amendment 3-18-65 ²⁷	4 4 4 1 1 352 3	1-3 4 4 5 4 6
G-19534- (CI62-247) E 3-10-65	Brooks Gas Corp. (successor to Mertzon Corp.).	Northern Natural Gas Co., Mertzon and Brooks Fields, Irion County, Tex.			
CI60-642 ¹⁷ B 3-26-65	Ben H. Schnapp (Operator), et al.	Tennessee Gas Transmission Co., Pefkas Field, Chambers County, Tex.			
CI61-524 C 4-23-65 ¹⁹	Shell Oil Co. ²⁰ (Operator), et al.	Michigan Wisconsin Pipe Line Co., Woodward Area, Major County, Okla.			
CI62-673 C 5-20-65 ⁴	Skylark Gas Co.	Equitable Gas Co., Hackers Creek District, Lewis County; Warren District, Upshur County; Elk and Grant Districts, Harrison County, W. Va.			
CI62-1042 E 3-18-65	W. B. Wright, et al. d.b.a. Edna Moore, et al. No. 1 (successor to John R. Robinson, et al. d.b.a. Edna Moore, et al. No. 1).	Equitable Gas Co., De Kalb District, Gilmer County, W. Va.			
CI63-149 A 12-17-62	J. Glenn, et al.	Jernigan & Morgan Transmission Co., E. Victor Field, Lincoln County, Okla.			
CI63-783 C 5-14-65 ⁴	Pan American Petroleum Corp.	Arkansas Louisiana Gas Co., Cheniere Field, Ouachita Parish, La.			
CI63-1040 C 5-7-65 ⁴	R. J. Caraway (Operator), et al.	Arkansas Louisiana Gas Co., Manziel Field, Wood County, Tex.			

Filing code: A—Initial service.
B—Abandonment.
C—Amendment to add acreage.
D—Amendment to delete acreage.
E—Succession.
F—Partial Succession.

See footnotes at end of table.

⁴ Brooks Gas Corp.

⁵ Union Oil Co. of California, Mid-America Minerals, Inc., and Calvert Exploration Co. (Operator) et al.

NOTICES

FPO rate schedule to be accepted			FPO rate schedule to be accepted								
Docket No. and date filed	Applicant	Purchaser, field, and location	Description and date of document	No.	Supp.	Docket No. and date filed	Applicant	Purchaser, field, and location	Description and date of document	No.	Supp.
O104-60 O 4-28-65 19	Shell Oil Co. (Operator), et al.	Perhandle Eastern Pipe Line Co. Arvad Area, Woods County, Okla.	Ratification agreement 11-23-64, 27	291	4	O105-1200 (O105-68) A 5-17-65	Anschutz Oil Co., Inc. (Operator), et al.	Kansas-Nebraska Natural Gas Co., Inc., Dike Field, Morgan County, Colo.	Notice of cancellation 5-13-65, 13	1	1
O104-157 O 5-14-65 4	Skelly Oil Co.	Kansas-Nebraska Natural Gas Co., Inc. Bradshaw Area, Hamilton County, Kans.	Letter agreement 65.24	100	5	O105-1211 A 5-17-65 4	Geochemical Surveys, et al.	Arkansas Louisiana Gas Co., Bistheau Field, Bienville and Webster Parishes, La.	Contract 11-19-64	1	
O104-298 O 5-21-65 4	Secony Mobil Oil Co., Inc.	Kansas-Nebraska Natural Gas Co., Inc., Syracuse Field, Hamilton County, Kans.	Letter agreement 4-19-65, 2	340	4	O105-1214 A 5-17-65 13	An-Son Corp. (Operator), et al.	Offices Service Gas Co., Lovedale Field, Harper County, Okla.	Contract 3-31-65 22	12	
O104-593 E 4-13-65	Calvert Exploration Co. (Operator), et al. (successor to Mid-America Minerals, Inc.)	Natural Gas Pipeline Co. of America, Camrick Southeast Gas Pool, Beaver County, Okla.	Mid-America Minerals, Inc. FPO GRS No. 7.3	10		O105-1221 A 5-20-65 4	Franks Petroleum (Operator), et al.	Texas Gas Transmission Corp., Sugar Creek Field, Claiborne Parish, La.	Contract 5-11-65	2	
O104-833 O 4-27-65 4	The Superior Oil Co.	Kansas-Nebraska Natural Gas Co., Inc., Bradshaw Field, Hamilton County, Kans.	Supplement No. 1, Notice of succession 4-7-65	10	1	O105-1222 A 5-20-65 4	Paul F. Starr, Agent	Henry C. Boggs, Sponsor of the Gas Co., United Way Co., Union District, Lincoln County, W. Va.	Contract 3-17-65 22	22	
O105-612 O 5-19-65 4	Don Earney	El Paso Natural Gas Co., Panhandle Field, Wheeler County, Tex.	Assignment 12-31-64. Effective date: 12-31-64. Amendment 1-14-65 2	10	2	O105-1223 (G-6012) B 5-20-65	Tex Gas Co.	United Way Co., Union District, Lincoln County, W. Va.	Notice of cancellation 5-19-65, 13	1	3
O105-1080 A 4-26-65 19	Sohio Petroleum Co., Operator.	Plant East Washington Field, McClain County, Okla.	Supplemental agreement 4-19-65	1	2	O105-1225 A 5-21-65	Grant Mullinax (Operator), et al.	Texas Gas Transmission Corp., Sugar Creek Field, Hopkins County, Ky.	Contract 5-11-65 23	1	
O105-1165 A 5-3-65 4	Hal M. Stierwalt, et al.	El Paso Natural Gas Co., Tapatio Field, Rio Arriba County, N. Mex.	Contract 2-18-65	117		O105-1227 A 5-21-65 13	Secony Mobil Oil Co., Inc.	Tennessee Gas Transmission Co., Second Bayou Field, Cameron Parish, La.	Contract 5-3-65 22	33	375
O105-1189 A 5-10-65 19	Sunray DX Oil Co.	Arkansas Louisiana Gas Co., Arpelar Field, Pittsburg County, Okla.	Contract 4-2-65 3	253		O105-1228 A 5-24-65 13	Sunray DX Oil Co.	American Louisiana Pipe Line Co., Kings Bayou Field, Cameron Parish, La.	Ratified 3-3-65 37 Contract 12-22-64 23 33	254	254
O105-1190 A 5-10-65	Continental Oil Co. ¹	Michigan Wisconsin Pipe Line Co., Woodward Area, Woodward County, Okla.	Contract 3-29-65	289		O105-1230 (O104-112) B 5-24-65 3	George Hammonds	Southern Natural Gas Co., High Island Area, Cameron Parish, La.	Notice of cancellation 5-18-65, 13 4	1	2
O105-1192 A 5-11-65 4	MAPCO Production Co.	Mississippi River Transmission Corp., Woodlawn Field, Harrison County, Tex.	Contract 6-22-64	253	1	O105-1232 (B-14673) B 5-24-65	Winwell Exploration Co.	Arkansas Louisiana Gas Co., Jefferson Field, Marion County, Tex.	Notice of cancellation 6-20-65, 13 4	1	
O105-1193 A 5-12-65	Texas Gas Exploration Corp. (Operator), et al.	Texas Gas Transmission Corp., Midland Field, Midland County, Tex.	Contract 3-29-65	289		O105-1235 A 5-24-65 4	Edwin G. Bradley	Panhandle Eastern Pipe Line Co., Lerado Field, Deaf Smith County, Tex.	Contract 4-21-65 22	7	
O105-1198 A 5-13-65 4	Continental Oil Co.	Arkansas-Nebraska Natural Gas Co., Alkali Creek Field, Fremont County, Wyo.	Contract 4-10-65	13		O105-1238 (O105-660) B 5-10-65	Claudio O. Cottiglia, et al. (Alpha Oil and Gas Co., Edwin I. Cox (Operator), et al.)	Arkansas Louisiana Gas Co., West Union District, Deaf Smith County, W. Va.	Notice of cancellation (Undated), 13 4	1	1
O105-1203 A 5-12-65	Coastal States Gas Producing Co. (Operator), et al.	Texas Eastern Transmission Corp., Dallas Husky Field, Goliad County, Tex.	Contract 4-2-65 2	12		O105-1240 A 5-1-65 13	Edwin I. Cox (Operator), et al.	Transcontinental Gas Pipe Line Corp., Live Oak Field, Vermilion Parish, La.	Ratified 4-23-65 4 Contract 8-28-62 22	59	59
O105-1205 A 5-11-65 4	Anschutz Oil Co., Inc. (Operator), et al.	Offices Service Gas Co., Northeast Forest City Field, Barber County, Kans.	Contract 4-15-65 2	1							
O105-1208 A 5-17-65 4	Miles Kimball Co.	United Gas Pipe Line Co., Monroe Gas Field, Ouachita Parish, La.	Contract 7-18-47 Agreement 8-30-54 Agreement 12-1-53 Agreement 12-22-53 Agreement 7-1-60 Agreement 10-23-60 Agreement 7-1-64 4 Contract 3-1-66 4	3 3 3 3 3 3 3 7							
O105-1208 A 5-14-65 4	Macdonald Oil Corp.	Northern Natural Gas Co., various leases, Crockett County, Tex.									

¹ Amendment to the application filed to reflect the price of 13.05078 cents per Mcf at 15.025 p.s.i.a. in lieu of 13.05067 cents per Mcf at 14.7 p.s.i.a.

² Also dissolves partnership of John W. O'Boyle and James D. Fields in Seneca Development Co. Each partner gets 1/2 interest in the properties.

³ In compliance with Commission Order issued Dec. 1, 1964, approving Offer of Settlement filed in Docket No. G-6938, et al.

⁴ Jan. 1, 1965, memorandum date pursuant to Commission's Statement of General Policy 61-1, as amended.

⁵ Agreement of D.H. 4, 1965, dated and properly executed and extended contract term to Dec. 24, 1973.

⁶ Amendment to the application filed to reflect the name of Operator.

⁷ Joint application with James E. Kutz, Jr. predecessor. Although Franks has become operator, it is being designated as joint application because there is no evidence that it has acquired significant status.

⁸ Declaration covers deletion of assigned acreage and a partial abandonment.

⁹ Declines nonproductive acreage assigned to Gene A. Carter and cancels contract as it pertains to the assigned acreage.

¹⁰ Gene A. Carter has stated that the assigned acreage is nonproducing and no sales are contemplated at this time. Conveys interest of Secony to Gene A. Carter, down to a depth of 6,801 feet.

¹¹ Cancels contract as it pertains to J. J. O'Brian lease which has ceased producing. Buyer's agreement contained in application.

¹² Effective date: Date of transfer of properties.

¹³ Transfer of interest from W. D. Neal to E. G. Rodman.

¹⁴ Delects 1,280 nonproducing acres for purpose of farming out to Shamrock Oil & Gas Co. (a letter dated May 11, 1965, from Transwestern stated that in cases such as this where reserves were not substantial, they have released acreage when requested).

See footnotes at end of table.

¹³ Effective date: Date of this order.
¹⁴ Deletes acreage producing small amounts of casinghead gas which buyer states it cannot economically connect to its system.
¹⁵ Original application filed May 23, 1960, sought certificate of public convenience and necessity. Applicant now proposes to abandon the subject service heretofore authorized by an unconditioned temporary. (Presently consolidated in Docket Nos. G-18077, et al.)
¹⁶ By Order issued Jan. 12, 1965, in Docket No. CP64-218 (Phase II) Tennessee Gas was allowed to abandon certain facilities thus permitting some of its dedicated gas, including Schnapp's, to go intrastate.
¹⁷ July 1, 1967, moratorium date pursuant to Commission's Statement of General Policy 61-1, as amended.
¹⁸ Applicant agrees to accept authorization for the additional acreage conditioned similarly to its original certificate issued in Opinion No. 353.
¹⁹ Adds acreage; Shell filed a petition to amend its certificate to cover George E. Conely's and Vincent Cuccia's nonoperator's interest.
²⁰ Effective date: Date of initial delivery.
²¹ Transfer of working interest from John R. Robinson to W. B. Wright.
²² Interest holders appoint A. R. Jackson to be their agent.
²³ Amendment deletes indefinite pricing provisions from July 23, 1962, contract.
²⁴ Applicant agrees to accept authorization for the additional acreage conditioned similarly to the certificates issued in Opinion No. 350.
²⁵ Adds acreage; Shell filed a petition to amend its certificate to cover Warren American Oil Co.'s, nonoperator interest.
²⁶ Mid-America received subject acreage from Union Oil Co. of California and was made a correspondent in Docket No. RI63-409 when it filed as partial successor.
²⁷ Applicable only to Pictured Cliffs Formation.
²⁸ Adopts terms and provisions of basic contract between Tenneco Oil Co. and buyer dated June 22, 1964.
²⁹ By letter filed June 14, 1965, Applicant advised its willingness to accept a permanent certificate conditioned similarly to the certificates issued in Opinion No. 353.
³⁰ Deletes indefinite pricing provisions.
³¹ Ratifies contract dated May 25, 1955, as amended (Supp. Nos. 1 and 2), between W. Earl Rowe and Texas Eastern; Coastal's gas previously sold under Rowe's FPC GRS No. 3.
³² Source of gas depleted.
³³ Production limited to Tar Springs Formations.
³⁴ Contract provides for 20.265 cents initial rate, however, Applicant states that they would accept a permanent certificate at 20.0 cents rate.
³⁵ Ratifies contract dated Dec. 22, 1964 between Shell Oil Co., et al., as seller and American Louisiana Pipe Line Co. as buyer.
³⁶ Contract on file as Shell's FPC GRS No. 314.
³⁷ Application in Docket No. C165-1230 will be canceled and the abandonment will be permitted and approved in Docket No. C164-112 since Applicant has not received permanent authorization.
³⁸ Buyer currently owns $\frac{1}{2}$ interest in subject acreage and has obtained the remaining $\frac{1}{2}$ interest from Geo. Hammonds. Buyer exchanges gas with Tennessee Gas Transmission Co.
³⁹ Failed to meet minimum requirement—insufficient production.
⁴⁰ Ratifies and amends the terms of a contract dated Aug. 28, 1962, and executed between George R. Brown, et al., and Transcontinental (Brown's FPC GRS No. 12).

Suggested agreement and undertaking:

BEFORE THE FEDERAL POWER COMMISSION

(Name of Respondent -----)

Docket No. -----

AGREEMENT AND UNDERTAKING OF (NAME OF RESPONDENT) TO COMPLY WITH REFUNDING AND REPORTING PROVISIONS OF SECTION 154.102 OF THE COMMISSION'S REGULATIONS UNDER THE NATURAL GAS ACT

(Name of Respondent) hereby agrees and undertakes to comply with the refunding and reporting provisions of section 154.102 of the Commission's regulations under the Natural Gas Act insofar as they are applicable to the proceeding in Docket No. -----, (and has caused this agreement and undertaking to be executed and sealed in its name by its officers, thereupon duly authorized in accordance with the terms of the resolution of its board of directors, a certified copy of which is appended hereto¹) this ----- day of -----, 196-----.

(Name of Respondent)

By -----

Attest:

¹ If a corporation.

Suggested surety bond form:

SURETY BOND

Know all men by these presents,

That we (Name and address of the natural gas company) (hereinafter called "Principal"), as Principal, and (Name and address and place of incorporation of Surety Bond Company) (hereinafter called "Surety"), as Surety, are held and firmly bound unto the Federal Power Commission (Agency of the United States of America) (hereinafter called the "Obligee") in the sum of (Amount of proposed annual increased rates in dollars) for the payment of which well and truly to be made, we, the said Principal and the said Surety, bind ourselves, our heirs, executors, administrators, successors and assigns, jointly and severally, firmly by these presents. The condition of this obligation is such that:

Whereas, (Name of Respondent), on (Date of original filing), filed with the Federal Power Commission (herein called the Commission) Supplement No. ----- to Respondent's FPC Gas Rate Schedule No. -----, proposing to increase a rate and charge over which the Commission has exercised jurisdiction; and

Whereas, by order issued (Suspension Order issuance date), the Commission suspended the operation of the proposed supplement and ordered a hearing to be held concerning the lawfulness of the proposed rate, charge, and classification, subject to the Commission's jurisdiction, as therein set forth; and by said order the use of such supplement was deferred until (Suspended until date), and until such further time as it is made effective in the manner prescribed by the Natural Gas Act; and

Whereas, a hearing has not been held and this proceeding has not been concluded; and (Name of Respondent), pursuant to the provisions of section 4(e) of the Natural Gas Act, having on (Date motion filed), filed a motion to make the change in rate effective as of (Requested effective date); and

Whereas, the Commission, in response to said motion, on (Date of notice), issued its notice making the rate, charge, and classification set forth in the aforesaid Supplement No. ----- to Respondent's FPC Gas Rate Schedule No. -----, effective as of (Effective date), subject to Respondent's furnishing a bond in the sum of \$-----, satisfactory to the Commission, and requiring that Respondent refund any portion of the increased rate and charge found by the Commission in Docket No. ----- not justified;

Now, therefore, if (Name of Respondent), its corporate surety, (and their heirs, executors, administrators²) successors and assigns, in conformity with the terms and conditions of the notice issued (Date of notice) by the Federal Power Commission, Docket No. -----, (Name of Respondent), shall:

(1) Well and truly repay at such times and in such amounts, to the persons entitled thereto, and in such manner as may be required by the final order of the Commission in said proceeding, subject to court review thereof, any portion of such rate and charge collected by (Name of Respondent) after

(Effective date) as such final order may find not justified, together with interest thereon at the rate of seven (7) percent per annum from the date of payment thereof to (Name of Respondent) until refunded; and

(2) Comply otherwise with the terms and conditions of the notice issued (Date) in Docket No. -----, and with the provisions of the Natural Gas Act relating thereto, then this obligation shall be terminated, otherwise to remain in full force and effect.

In witness whereof, the parties hereto have placed their hands and seals on this ----- day of -----

Attest:

By -----
PrincipalBy -----
Surety

² To be included if a noncorporate respondent.

[F.R. Doc. 65-7666; Filed, July 22, 1965; 8:45 a.m.]

{Docket No. CP66-6}

EL PASO NATURAL GAS CO.

Notice of Application

JULY 16, 1965.

Take notice that on July 9, 1965, El Paso Natural Gas Co. (Applicant), Post Office Box 1492, El Paso, Tex., 7999, filed in Docket No. CP66-6 an application pursuant to section 7(c) of the Natural Gas Act for a certificate of public convenience and necessity authorizing the modification of certain facilities and the sale and delivery of natural gas to The Washington Water Power Co. (Water Power) and Intermountain Gas Co. (Intermountain) for resale, all as more fully set forth in the application which is on file with the Commission and open to public inspection.

Applicant proposes to modify its existing meter station located at the terminus of its Kellogg-Wardner lateral pipeline in Shoshone County, Idaho, by replacing the existing positive displacement-type meter with a double 4½-inch orifice-type meter run and necessary appurtenances. The estimated total cost of this modification is \$3,000, which will be financed from currently available working funds.

Water Power proposes to initiate natural gas service to consumers situated in the communities of Osburn, Polaris, Silverton, Wallace, Elk Creek, and Big Creek, Idaho, and their respective environs. Water Power's estimated maximum daily and annual requirements during the third full year of the proposed service aggregate 1,958 Mcf and 301,672 Mcf, respectively. The total estimated cost of Water Power's proposed project is \$769,540.

Intermountain proposes to initiate natural gas service to consumers situated in the communities of Rigby, Rexburg, Shoshone, Bellevue, Hailey, Ketchum, and Sun Valley, Idaho, and their respective environs. Intermountain's estimated maximum daily and annual natural gas requirements during the third full year of proposed service aggregate 7,726 Mcf and 1,126,255 Mcf, respectively. The total estimated cost of

Intermountain's proposed project is \$3,980,441.

Protests or petitions to intervene may be filed with the Federal Power Commission, Washington, D.C., 20426, in accordance with the rules of practice and procedure (18 CFR 1.8 or 1.10) and the regulations under the Natural Gas Act (157.10) on or before August 13, 1965.

Take further notice that, pursuant to the authority contained in and subject to the jurisdiction conferred upon the Federal Power Commission by sections 7 and 15 of the Natural Gas Act and the Commission's rules of practice and procedure, a hearing will be held without further notice before the Commission on this application if no protest or petition to intervene is filed within the time required herein, and the Commission on its own review of the matter finds that a grant of the certificate is required by the public convenience and necessity. If a protest or petition for leave to intervene is timely filed, or if the Commission on its own motion believes that a formal hearing is required, further notice of such hearing will be duly given.

Under the procedure herein provided for, unless otherwise advised, it will be unnecessary for Applicant to appear or be represented at the hearing.

J. H. GUTRIE,
Secretary.

[F.R. Doc. 65-7750; Filed, July 22, 1965;
8:46 a.m.]

[Docket No. CP66-5]

OHIO FUEL GAS CO.

Notice of Application

JULY 16, 1965.

Take notice that on July 9, 1965, The Ohio Fuel Gas Co. (Applicant), 99 North Front Street, Columbus, Ohio, 43215, filed in Docket No. CP 66-5 an application pursuant to section 7(c) of the Natural Gas Act for a certificate of public convenience and necessity authorizing the construction and operation of additional points of delivery for the sale of natural gas to Columbia Gas of Ohio, Inc. (Columbia), for resale and distribution in the unincorporated communities of Sullivan and Iberia, Ohio, and the surrounding vicinities, all as more fully set forth in the application which is on file with the Commission and open to public inspection.

Specifically, Applicant proposes to construct and operate a tap and measuring station in Sullivan Township, Ashland County, Ohio, and a tap and measuring station in Washington Township, Morrow County, Ohio, together with valves and fittings and incidental facilities.

Applicant estimates that the peak day and annual requirements for natural gas in the new markets are as follows:

Year	Sullivan		Iberia	
	Peak day	Annual	Peak day	Annual
First.....	215	31,998	128	16,320
Second.....	280	37,955	147	18,520
Third.....	328	39,941	186	23,440

Columbia has advised Applicant that volumes which it is entitled to purchase under current service agreements with Applicant are sufficient to provide for initiation of service to the prospective new markets.

The total estimated cost of the proposed construction is \$10,110, which will be financed from cash on hand.

Protests or petitions to intervene may be filed with the Federal Power Commission, Washington, D.C., 20426, in accordance with the rules of practice and procedure (18 CFR 1.8 or 1.10) and the regulations under the Natural Gas Act (157.10), on or before August 12, 1965.

Take further notice that, pursuant to the authority contained in and subject to the jurisdiction conferred upon the Federal Power Commission by sections 7 and 15 of the Natural Gas Act and the Commission's rules of practice and procedure, a hearing will be held without further notice before the Commission on this application if no protest or petition to intervene is filed within the time required herein, and the Commission on its own review of the matter finds that a grant of the certificate is required by the public convenience and necessity. If a protest or petition for leave to intervene is timely filed, or if the Commission on its own motion believes that a formal hearing is required, further notice of such hearing will be duly given.

Under the procedure herein provided for, unless otherwise advised, it will be unnecessary for Applicant to appear or be represented at the hearing.

J. H. GUTRIE,
Secretary.

[F.R. Doc. 65-7751; Filed, July 22, 1965;
8:46 a.m.]

[Docket No. RI65-475]

SHELL OIL CO.

Order Accepting Decreased Rate Filing; Correction

JUNE 25, 1965.

In the Order Accepting Decreased Rate Filing, issued June 11, 1965, and published in the FEDERAL REGISTER June 19, 1965 (F.R. Doc. 65-6449; 30 F.R. 7977); in Appendix "A", under column headed "Docket No.", change "RI64-475" to read "RI65-475".

J. H. GUTRIE,
Secretary.

[F.R. Doc. 65-7752; Filed, July 22, 1965;
8:46 a.m.]

SECURITIES AND EXCHANGE COMMISSION

[812-1784]

KANSAS DEVELOPMENT CREDIT CORP., INC.

Notice of Filing of Application for Order Declaring Company Exempt From the Act

JULY 19, 1965.

Notice is hereby given that Kansas Development Credit Corp., Inc. ("appli-

cant") 908 First National Bank Building, Topeka, Kans., a Kansas corporation organized under the law of the State of Kansas (Kan. Stat. Ann. secs. 17-2328 to -2335) ("Development Credit Corporation Law") which authorizes and governs the organization and operation of development credit corporations, has filed an application pursuant to section 6(c) of the Investment Company Act of 1940 ("Act") for an order exempting applicant from the provisions of the Act. All interested persons are referred to the application, and the amendments thereto, which are on file with the Commission, for a statement of the representations therein, which are summarized below.

Applicant represents that its primary function is to supply needed capital to Kansas businesses, which businesses are unable otherwise to obtain capital, and that its primary motive is the industrial and commercial expansion of Kansas. Applicant will do business only in Kansas and only with companies doing or proposing to do business in Kansas (although some of the companies may be non-Kansas corporations).

Applicant's authorized capital is \$500,000 represented by 100,000 shares of common stock, par value \$5 per share. To date, none of its common stock has been sold or offered for sale. It is planned that the stock will be offered only in Kansas and only to 51 businesses and industries in Kansas (including Kansas corporations and non-Kansas corporations doing business in Kansas). Applicant represents that such firms and corporations are sophisticated in security matters and will purchase such stock for investment purposes only and not for the purpose of resale. The stock will be offered at its par value of \$5 per share and no commission or other remuneration for solicitation or sale of the stock will be paid. No stock will be sold or offered to individuals.

In addition to equity capital, applicant will rely, for funds available for lending, upon loans, evidenced by promissory notes, from banks in Kansas which have become members of applicant by making application to it to lend funds to it upon call. In general such loans are limited to 3 percent of capital and surplus, and will be made on a pro rata basis from members based upon each member's statutory lending capacity. Applicant represents that the law of the State of Kansas (Kan. Stat. Ann. sec. 17-2332) requires that membership be extended, without limit, to all commercial banks and trust companies within the State of Kansas. Such State or local banks and any trust companies will be incorporated by and doing business within the State of Kansas and such national banks will be located in and doing business in the State of Kansas. Applicant further represents that it cannot state with reasonable certainty that, absent circumstances requiring it, such promissory notes will be held by such members for investment and not for the purpose of distribution. However, applicant consents to and applies for an order declaring it exempt from the Act conditional upon a requirement that its members will acquire

notes issued to them for the purpose of investment and not for the purpose of further distribution.

Under the provisions of the Development Credit Corporation Law, the Board of Directors of applicant is to be elected in the first instance by the stockholders to serve until the first annual meeting when, and at each annual meeting thereafter, one-third ($\frac{1}{3}$) of the directors are to be elected by the stockholders and two-thirds ($\frac{2}{3}$) by the members; each member having one vote. Applicant represents that it will be subject to examination, supervision, and control of the Bank Commission of the State of Kansas and with respect to the issuance of its securities to the Securities Commission of the State of Kansas.

Since applicant will be engaged in the business of investing and since it proposes to acquire investment securities having a value exceeding 40 percent of its total assets, applicant is an investment company within the definition of section 3(a)(3) of the Act and is required to register unless exempted pursuant to section 6(c) of the Act.

Applicant states that it has been formed and will operate in order to accomplish the public purposes of the Development Credit Corporation Law which is the promotion, development, and advancement of the industrial and business prosperity and welfare of the State of Kansas, the encouragement of new industry, the stimulation and expansion of business ventures tending to promote the growth of Kansas and the promotion of industrial, agricultural or recreational development within Kansas. Applicant states that neither it nor its security holders are or will be motivated by the prospects of possible profit of applicant, but are motivated by the aforesaid public purposes. It is alleged that the nature of applicant and of its proposed operation is such that its regulation under the Act is not necessary to accomplish the purposes of the Act, and that applicant should be granted an exemption subject to condition pursuant to section 6(c) of the Act.

Notice is further given that any interested person may, not later than August 4, 1965, at 5:30 p.m., submit to the Commission in writing a request for a hearing on the matter accompanied by a statement as to the nature of his interest, the reason for such request and the issues of fact or law proposed to be controverted, or he may request that he be notified if the Commission should order a hearing thereon. Any such communication should be addressed: Secretary, Securities and Exchange Commission, Washington, D.C., 20549. A copy of such request shall be served personally or by mail (airmail if the person being served is located more than 500 miles from the point of mailing) upon applicant. Proof of such service (by affidavit or in case of an attorney-at-law by certificate) shall be filed contemporaneously with the request. At any time after said date, as provided by Rule 0-5 of the rules and regulations promulgated under the Act, an order disposing of the application herein may be issued by the Commission upon the basis of the informa-

tion stated in said application, unless an order for hearing upon said application shall be issued upon request or upon the Commission's own motion.

For the Commission (pursuant to delegated authority).

[SEAL]

Orval L. DuBois,
Secretary.

By: NELLYE A. THORSEN,
Assistant Secretary.

[F.R. Doc. 65-7747; Filed, July 22, 1965;
8:45 a.m.]

[811-1013]

SEARCH INVESTMENTS CORP.

Notice of Application for Order Declaring That Company Has Ceased To Be an Investment Company

JULY 19, 1965.

Notice is hereby given that an application has been filed on behalf of Search Investments Corp. ("applicant"), 1031 Northwestern Bank Building, Minneapolis, Minn., 55402, a Minnesota corporation and a management closed-end nondiversified investment company registered under the Investment Company Act of 1940 ("Act"), for an order pursuant to section 8(f) of the Act declaring that applicant has ceased to be an investment company. All interested persons are referred to the application on file with the Commission for a full statement of the representations therein, which are summarized below.

Prior to January 15, 1965, applicant's Board of Directors had determined that applicant, particularly in view of its limited size, could not be operated effectively as an investment company, and had been liquidating its investments. At November 30, 1964, applicant's total assets amounted to about \$1,274,000, consisting almost entirely of cash and U.S. Treasury Bills, and the net asset value of its common stock was \$1.15 per share.

At a special meeting of shareholders held on January 15, 1965, a new Board of Directors was elected, composed of representatives of a "stockholder group" which was of the opinion that applicant's assets should be applied to the purchase of operating companies. At that meeting, applicant's shareholders approved a proposal that applicant cease to be an investment company. During the period October 6, 1964, through January 15, 1965, the stockholder group offered to purchase at \$1.08 per share any of applicant's outstanding shares.

In May 1965, applicant acquired, for cash, all of the outstanding securities, other than notes due banks, of two Pennsylvania companies which are engaged in the general automotive supply business. Subsequently, applicant made loans to these two wholly-owned subsidiaries. As a result of these acquisitions and loans, applicant has invested approximately \$1,127,000 of its total assets of approximately \$1,283,000, as at May 31, 1965, in its subsidiary companies.

Applicant represents that it is no longer an investment company as defined in section 3(a) of the Act, and that it no longer holds itself out as being, and

does not propose to engage primarily, in the business of investing, reinvesting, or trading in securities, and, with respect to section 3(a)(3) of the Act, its investment securities, valued at \$32,960, are substantially less than 40 percentum of the value of the relevant assets as described in that section.

Notice is further given that any interested person may, not later than August 5, 1965, at 5:30 p.m., submit to the Commission in writing a request for a hearing on the matter accompanied by a statement as to the nature of his interest, the reason for such request and the issues of fact or law proposed to be controverted, or he may request that he be notified if the Commission shall order a hearing thereon. Any such communication should be addressed: Secretary, Securities and Exchange Commission, Washington, D.C., 20549. A copy of such request shall be served personally or by mail (air mail if the person being served is located more than 500 miles from the point of mailing) upon the applicant at the address stated above. Proof of such service (by affidavit or in case of an attorney-at-law by certificate) shall be filed contemporaneously with the request. At any time after such date, as provided by Rule 0-5 of the rules and regulations promulgated under the Act, an order disposing of the application herein may be issued by the Commission upon the basis of the information stated in said application unless an order for hearing upon said application shall be issued upon request or upon the Commission's own motion.

For the Commission (pursuant to delegated authority).

[SEAL]

Orval L. DuBois,
Secretary.

By: NELLYE A. THORSEN,
Assistant Secretary.

[F.R. Doc. 65-7748; Filed, July 22, 1965;
8:45 a.m.]

[File No. 01-21]

WHEELING AND LAKE ERIE RAILWAY CO.

Notice of Application and Opportunity for Hearing

JULY 19, 1965.

Notice is hereby given that the above named company has submitted an application to the Securities and Exchange Commission seeking an exemption under section 12(h) of the Securities Exchange Act of 1934 (Act) from the requirements of section 14(c) of the Act, for and in connection with any annual or other meeting of the stockholders of The Wheeling and Lake Erie Railway Co. at which the only actions to be taken are the election of directors and/or such other action as does not directly or indirectly affect the interest of the holders of such stock in said company.

Section 12(h) of the Act permits the Commission, upon application of an interested person, by order, after notice and opportunity for hearing, to exempt in whole or in part any issuer or class of issuers from section 14 of the Act upon

such terms and conditions and for such period as it deems appropriate, if the Commission finds, by reason of the number of public investors, amount of trading interest in the securities, the nature and extent of the activities of the issuer, income or assets of the issuer, or otherwise, that such action is not inconsistent with the public interest or the protection of investors.

According to the Application, all of the property of The Wheeling and Lake Erie Railway Co. (Wheeling), an Ohio corporation, has been operated by Norfolk & Western Railway Co. (N&W) since June 24, 1964, as successor to the lease of The New York, Chicago & St. Louis Railroad Co. (Nickel Plate), as lessee under a lease dated as of December 1, 1949, providing for a term of 99 years, renewable for like terms perpetually. N&W is obligated to pay all of Wheeling's fixed charges, taxes, operating expenses and other costs and rental sufficient to pay an annual dividend of \$4.00 on Wheeling's Prior Lien Stock and \$5.75 on Wheeling's Common Stock. Wheeling's Board of Directors consists of seven directors, five of whom are officers of N&W. With one exception, the officers of Wheeling are also officers of N&W and receive no compensation as officers of Wheeling.

Wheeling has outstanding 339,585 shares of common stock, which are registered with the Securities and Exchange Commission pursuant to section 12(b) of the Securities Exchange Act of 1934 and listed for trading on the New York Stock Exchange. As of December 31, 1964, N&W owned 292,564 shares, or 86.15 percent of the common stock of Wheeling. As of the same date, N&W also owned 115,609 shares, or 99.58 percent of the outstanding 116,093 shares of Prior Lien Stock of Wheeling. Since both the common stock and Prior Lien Stock of Wheeling possess voting rights, N&W held on December 31, 1964, 89.58 percent of the total stock voting rights in Wheeling. As of December 31, 1964, the number of holders of record of Wheeling's common stock totaled 87, and the number of holders of record of Wheeling's Prior Lien Stock totaled 6.

The respective number of shares of the common stock of Wheeling which have been traded on the New York Stock Exchange in the last 5 years are as follows:

1960	1961	1962	1963	1964
700	230	985	130	240

No shares of the Prior Lien Stock of Wheeling were presented to it for transfer on the books of the company in the years 1960 to 1963, inclusive, while 64 shares were so transferred in 1964.

Balance sheet and income statement information with respect to Wheeling, together with other data, is contained in annual reports filed with the Interstate Commerce Commission and with this Commission.

Notices of annual meetings and a copy of Wheeling's annual report to stockholders have been mailed each year to holders of Wheeling stock. Wheeling's listing agreement with the New York Stock Exchange covering its common stock does not require the solicitation of

proxies, and Wheeling has not solicited proxies since December 1, 1949, the effective date of the lease of its lines and properties to Nickel Plate. The present practice of mailing to stockholders notice of the annual meeting and a copy of its annual report will be continued in 1965 and subsequent years.

For a more detailed statement of the information presented, all persons are referred to said application which is on file in the offices of the Commission at 425 Second Street NW., Washington, D.C.

Notice is further given that an order granting the application upon such terms and conditions as the Commission may deem necessary or appropriate may be issued by the Commission at any time on or after July 30, 1965, unless prior thereto a hearing is ordered by the Commission. Any interested person may, not later than July 30, 1965, at 5:30 p.m., submit to the Commission in writing his views or any additional facts bearing upon the application or the desirability of a hearing thereon, or request the Commission in writing that a hearing be held thereon. Any such communication or request should be addressed to the Secretary, Securities and Exchange Commission, Washington, D.C., 20549, and should state briefly the nature of the interest of the person submitting such information or requesting a hearing, the reason for such request and the issues of fact or law raised by the application which he desires to controvert. The applicants waive notice and opportunity for hearing, but only if the Commission finds itself unable to grant the application.

By the Commission.

[SEAL]

Orval L. DuBois,
Secretary.

By: NELLYE A. THORSEN,
Assistant Secretary.

[F.R. Doc. 65-7749; Filed, July 22, 1965;
8:45 a.m.]

INTERSTATE COMMERCE COMMISSION

FOURTH SECTION APPLICATIONS FOR RELIEF

JULY 20, 1965.

Protests to the granting of an application must be prepared in accordance with Rule 1.40 of the general rules of practice (49 CFR 1.40) and filed within 15 days from the date of publication of this notice in the FEDERAL REGISTER.

LONG-AND-SHORT HAUL

FSA No. 39921—*Joint motor-rail rates—Eastern Central*. Filed by the Eastern Central Motor Carriers Association, Inc., agent (No. 348), for interested carriers. Rates on commodities moving on class and commodity rates over joint routes of applicant rail and motor carriers, between points in middle Atlantic and New England territories, on the one hand, and points in middlewest and southwestern territories, on the other.

Grounds for relief—Motor-truck competition.

Tariff—18th revised page 182 to Eastern Central Motor Carriers Association, Inc., agent, tariff MF-ICC A-230.

FSA No. 39922—*Joint motor-rail rates—Eastern Central*. Filed by the Eastern Central Motor Carriers Association, Inc., agent (No. 349), for interested carriers. Rates on commodities moving on class and commodity rates over joint routes of applicant rail and motor carriers, between points in middle Atlantic and New England territories, on the one hand, and points in central States, middlewest, and southwestern territories, on the other.

Grounds for relief—Motor-truck competition.

Tariff—27th revised page 47-A to Eastern Central Motor Carriers Association, Inc., agent, tariff MF-ICC A-230.

FSA No. 39923—*Joint motor-rail rates—Eastern Central*. Filed by the Eastern Central Motor Carriers Association, Inc., agent (No. 350), for interested carriers. Rates on commodities moving on class and commodity rates over joint routes of applicant rail and motor carriers, between points in middle Atlantic and New England territories, on the one hand, and points in central States, middlewest, and southwestern territories, on the other.

Grounds for relief—Motor-truck competition.

Tariff—27th revised page 47-A to Eastern Central Motor Carriers Association, Inc., agent, tariff MF-ICC A-230.

FSA No. 39924—*Joint motor-rail rates—Eastern Central*. Filed by the Eastern Central Motor Carriers Association, Inc., agent (No. 351), for interested carriers. Rates on commodities moving on class and commodity rates over joint routes of applicant rail and motor carriers, between points in central States territory, on the one hand, and points in middle Atlantic and New England territories, on the other.

Grounds for relief—Motor-truck competition.

Tariff—27th revised page 47-A to Eastern Central Motor Carriers Association, Inc., agent, tariff MF-ICC A-230.

FSA No. 39925—*Joint motor-rail rates—Eastern Central*. Filed by the Eastern Central Motor Carriers Association, Inc., agent (No. 352), for interested carriers. Rates on commodities moving on class and commodity rates over joint routes of applicant rail and motor carriers, between points in central States territory, on the one hand, and points in middle Atlantic and New England territories, on the other.

Grounds for relief—Motor-truck competition.

Tariff—27th revised page 47-A to Eastern Central Motor Carriers Association, Inc., agent, tariff MF-ICC A-230.

FSA No. 39926—*Joint motor-rail rates—Eastern Central*. Filed by the Eastern Central Motor Carriers Association, Inc., agent (No. 353), for interested carriers. Rates on commodities moving on class and commodity rates over joint routes of applicant rail and motor carriers, between points in middle Atlantic and New England territories, on the one hand, and

points in central States, middlewest, and southwestern territories, on the other.

Grounds for relief—Motor-truck competition.

Tariff—27th revised page 47-A to Eastern Central Motor Carriers Association, Inc., agent, tariff MF-ICC A-230.

FSA No. 39927—*Joint motor-rail rates—Eastern Central*. Filed by the Eastern Central Motor Carriers Association, Inc., agent (No. 354), for interested carriers. Rates on commodities moving on class rates over joint routes of applicant rail and motor carriers, between points in central States territory, on the one hand, and points in middle Atlantic and New England territories, on the other.

Grounds for relief—Motor-truck competition.

Tariff—19th revised page 118-A to Eastern Central Motor Carriers Association, Inc., agent, tariff MF-ICC A-230.

FSA No. 39928—*Joint motor-rail rates—Eastern Central*. Filed by the Eastern Central Motor Carriers Association, Inc., agent (No. 355), for interested carriers. Rates on commodities moving on class rates over joint routes of applicant rail and motor carriers, between points in central States territory, on the one hand, and points in middle Atlantic and New England territories, on the other.

Grounds for relief—Motor-truck competition.

Tariff—19th revised page 118-A to Eastern Central Motor Carriers Association, Inc., agent, tariff MF-ICC A-230.

FSA No. 39929—*Substituted service—IC for Sawyer Transport, Inc.* Filed by A. R. Fowler, agent (No. 14), for interested carriers. Rates on building materials loaded in highway trailers and transported on railroad flatcars, between Greenville, Miss., on the one hand, and Chicago and Rockford, Ill., also Dubuque, Iowa, on the other, on traffic originating at or destined to such points or points beyond as described in the application.

Grounds for relief—Motor-truck competition.

Tariff—A. R. Fowler, agent, tariff MF-ICC A-97.

FSA No. 39930—*Substituted service—CRI&P for Freight Transit Co.* Filed by A. R. Fowler, agent (No. 15), for interested carriers. Rates on property loaded in highway trailers and transported on railroad flatcars, between St. Paul, Minn., and Des Moines, Iowa, on traffic originating at or destined to such points or points beyond as described in the application.

Grounds for relief—Motor-truck competition.

Tariff—A. R. Fowler, agent, tariff MF-ICC A-97.

FSA No. 39931—*Fertilizers from St. Francis, Tex.* Filed by Southwestern Freight Bureau, agent (No. B-8754), for interested rail carriers. Rates on fertilizer, fertilizer compounds, fertilizer materials, superphosphate, and urea, in carloads, from St. Francis, Tex. (proportional rates on traffic originating at Etter, Tex., by rail), to points in Utah on the UP RR.

Grounds for relief—Market competition.

Tariff—Supplement 103 to Southwestern Freight Bureau, agent, tariff ICC 4493.

FSA No. 39932—*Fertilizer and fertilizer materials from Green Bay, Fla.* Filed by O. W. South, Jr., agent (No. A4730), for interested rail carriers. Rates on superphosphate, fertilizer, and fertilizer materials, in carloads, from Green Bay, Fla., to points in official (including Illinois) territory.

Grounds for relief—Market competition.

Tariff—Supplement 60 to Southern Freight Association, agent, tariff ICC S-269.

AGGREGATE OF INTERMEDIATES

FSA No. 39933—*Superphosphate from Green Bay, Fla.* Filed by O. W. South, Jr., agent (No. A4731), for interested rail carriers. Rates on superphosphate, not defluorinated superphosphate, nor feed grade superphosphate, in bulk, in carloads, from Green Bay, Fla., to specified points in Connecticut, Massachusetts, and Rhode Island.

Grounds for relief—Maintenance of depressed rates established to meet rail-water-truck competition without having to use such rates as factors in constructing combination rates.

Tariff—Supplement 60 to Southern Freight Association, agent, tariff ICC S-269.

By the Commission.

[SEAL]

H. NEIL GARSON,
Secretary.

[F.R. Doc. 65-7756; Filed, July 22, 1965;
8:46 a.m.]

[Notice 9]

MOTOR CARRIER TEMPORARY AUTHORITY APPLICATIONS

JULY 19, 1965.

The following are notices of filing of applications for temporary authority under section 210a(a) of the Interstate Commerce Act provided for under the new rules in Ex Parte No. MC 67 (49 CFR Part 240), published in the FEDERAL REGISTER, issue of April 27, 1965, effective July 1, 1965. These rules provide that protests to the granting of an application must be filed with the field official named in the FEDERAL REGISTER publication, within 15 calendar days after the date notice of the filing of the application is published in the FEDERAL REGISTER. One copy of such protest must be served on the applicant, or its authorized representative, if any, and the protest must certify that such service has been made. The protest must be specific as to the service which such protestant can and will offer, and must consist of a signed original and six (6) copies.

A copy of the application is on file, and can be examined, at the Office of the Secretary, Interstate Commerce Commission, Washington, D.C., and also in the field office to which protests are to be transmitted.

MOTOR CARRIERS OF PROPERTY

No. MC 87113 (Sub-No. 6TA), filed July 16, 1965. Applicant: WHEATON

VAN LINES, INC., Post Office Box 55191, 2525 East 56th Street, Indianapolis, Ind. Applicant's representative: Alan F. Wohlstetter, 1 Farragut Square South, Washington, D.C. Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Household goods*, as defined by the Commission in Ex Parte MC-19, between points in Alabama, Arkansas, Colorado, Connecticut, Delaware, Florida, Georgia, Illinois, Indiana, Iowa, Kansas, Kentucky, Louisiana, Maine, Maryland, Massachusetts, Michigan, Minnesota, Mississippi, Missouri, Nebraska, New Hampshire, New Jersey, New York, North Carolina, Ohio, Oklahoma, Pennsylvania, Rhode Island, South Carolina, Tennessee, Texas, Vermont, Virginia, West Virginia, Wisconsin, and the District of Columbia, on the one hand, and, on the other, points in Arizona, California, Idaho, Montana, Oregon, Nevada, North Dakota, South Dakota, Utah, Washington, and Wyoming, for 150 days. SEND PROTESTS TO: R. M. Hagarty, District Supervisor, 802 Century Building, 36 South Pennsylvania, Indianapolis, Ind., 46204. SUPPORTING SHIPPER: None.

No. MC 103993 (Sub-No. 219TA), filed July 15, 1965. Applicant: MORGAN DRIVE-AWAY, INC., 2800 West Lexington Avenue, Elkhart, Ind. Applicant's representative: John E. Lesow, 3737 North Meridian Street, Indianapolis, Ind. Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Buildings*, complete or in sections, from points in Colorado to points in Minnesota, Iowa, Missouri, Arkansas, Louisiana, Texas, Oklahoma, Kansas, Nebraska, South Dakota, North Dakota, Montana, Wyoming, Colorado, New Mexico, Arizona, Utah, Idaho, Oregon, Washington, Nevada, and California, for 180 days. SUPPORTING SHIPPERS: Central Industries, Inc., 237 22d Street, Greeley, Colo., Daniel F. Freddy, Continental Manufacturing Co., Inc., Loveland, Colo. SEND PROTESTS TO: District Supervisor Edmunds, Bureau of Operations and Compliance, Interstate Commerce Commission, 308 Federal Building, Fort Wayne, Ind., 46802.

No. MC 103993 (Sub-No. 220TA), filed July 15, 1965. Applicant: MORGAN DRIVE-AWAY, INC., 2800 West Lexington Avenue, Elkhart, Ind. Applicant's representative: John E. Lesow, 3737 North Meridian Street, Indianapolis, Ind. Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Buildings*, complete or in sections, from points in Ohio to North Dakota, South Dakota, North Carolina, South Carolina, Maine, Virginia, Maryland, Delaware, Washington, D.C., Pennsylvania, New Jersey, New York, Connecticut, Rhode Island, Massachusetts, New Hampshire, and Vermont, for 180 days. SUPPORTING SHIPPER: Vindale Corp., Brookville, Ohio. SEND PROTESTS TO: District Supervisor Edmunds, Bureau of Operations and Compliance, Interstate Commerce Commission, 308 Federal Building, Fort Wayne, Ind., 46802.

No. MC 117031 (Sub-No. 4 TA), filed July 15, 1965. Applicant: BROWN YANCEY, New Bloomfield, Mo., 65063. Applicant's representative: Joseph R. Nacy, 117 West High Street, Post Office Box 352, Jefferson City, Mo., 65102. Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Animal and poultry feeds*, from Cedar Rapids and Sioux City, Iowa, including points in the commercial zones thereof, to New Bloomfield, Mo., for 150 days. SUPPORTING SHIPPER: The Quaker Oats Co., Merchandise Mart Plaza, Chicago, Ill., 60654. SEND PROTESTS TO: B. J. Schreier, District Supervisor, Bureau of Operations and Compliance, Interstate Commerce Commission, 1100 Federal Office Building, 911 Walnut Street, Kansas City, Mo., 64106.

No. MC 120634 (Sub-No. 7TA), filed July 15, 1965. Applicant: JOE HODGES TRANSPORTATION CORPORATION, Post Office Box 82397, Stockyards Station, 1911 First Street NW., Oklahoma City, Okla. Applicant's representative: John Maupin, General Manager (same address as applicant's). Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: (1) Between Hollis, Okla., and Wellington, Tex., serving all intermediate points: From Hollis over U.S. Highway 62 to junction Texas Highway 1642, thence over Texas Highway 1642 to Dodson, Tex., thence over Texas Highway 338 to Wellington, and return over the same route; (2) between Wellington, Tex., and Wheeler, Tex., serving all intermediate points: From Wellington, Over U.S. Highway 83 to Wheeler, and return over the same route; (3) between Wheeler, Tex., and Elk City, Okla., serving no intermediate points, as an alternate route for operating convenience only: From Wheeler, over Texas Highway 152 to the Texas-Oklahoma State line, thence over Oklahoma Highway 152 to Sayre, Okla., thence over Interstate Highway 40 to junction Oklahoma Highway 34 approximately four (4) miles west of Elk City, serving said junction as a point of joinder only, and return over the same route; and (4) between Shamrock, Tex., and Elk City, Okla., serving no intermediate points, as an alternate route for operating convenience only: From Shamrock, over Interstate Highway 40 to intersection with Oklahoma Highway 34, approximately four (4) miles west of Elk City, Okla., serving said intersection as a point of joinder only, and return over the same route.

SUPPORTING SHIPPERS: Farmers Cooperative Gin Society No. 1, Dodson, Tex., E. I. DuPont DeNemours & Co., The Firestone Tire & Rubber Co., Fort Dodge Laboratories, The Fox-Vliet Drug Co., Fred Jones Manufacturing Co., General Electric Co., Masterbilt Motors, Minnesota Paints, Inc., The O'Brien Corp., Oklahoma Hardware Co., Public Supply Co., Rasor-Edwards Equipment Co., Simpson-Horton, Inc., Southwest Wheel & Manufacturing Co., Stewart Equipment, Oklahoma City, Okla., Barth & Winslett Body Shop, Benson Hardware & Furniture Co., Blakemore Chevrolet Co., Brannon's Shamrock Builders Supply, C. & H. Supply Co., Corner Drug Store

Pharmacy, Jack Gibson Pontiac and Buick, Golden Spread Motor Co., Mahrken Drug, Mayfield Auto Supply, I. C. Mundy, E. W. Poole Motor Co., Seven-Up Greenbelt Bottling Co., Inc., Shamrock Auto Supply, Shamrock Coca-Cola Bottling Co., Inc., Shamrock Lumber Co., The Shamrock Texan, Tindall Drug, United Carbon Co., Walker Chrysler-Plymouth, Chamber of Commerce, Bob Galmore, Robertson Refrigeration, Shamrock, Tex., Brooks Auto Supply, Brown Paint & Body Shop, Buske Farm Store, C & H Pharmacy, Clark Chevrolet Co., Eddie Slay Clothier, John Holton Oil & Butane Co., Kelso Funeral Home, O K Rubber Welders, Owens & Sons Wholesale Distributors, Parsons Drug, S & R Hardware & Appliance, Saied's Department Store, Shira Ford Tractor Co., Sullivan Hardware and Furniture Co., Wellington Lumber Co., Wellington, Tex., Ernest Lee Hardware, First National Bank, First National Bank, H & B Appliance Center, Hyland's Pharmacy, Vanpool-Burton Motor Co., Wheeler Lumber Co., Wheeler, Tex. SEND PROTESTS TO: District Supervisor, C. L. Phillips, Bureau of Operations and Compliance, Interstate Commerce Commission, Room 350, American General Building, 210 Northwest Sixth, Oklahoma City, Okla., 73102.

No. MC 120740 (Sub-No. 2TA), filed July 15, 1965. Applicant: GUY S. PARKS, JR., doing business as PARK DELIVERY SERVICE, Ann Street, South Norwalk, Conn. Applicant's representative: Thomas W. Murrett, 410 Asylum Street, Hartford, Conn., 06103. Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *General commodities* (except those of unusual value, Classes A and B explosives, household goods as defined by the Commission, commodities in bulk, commodities requiring special equipment, and those injurious or contaminating to other lading), between New Haven, Conn., and North Haven, Conn., limited to transportation to be performed with freight forwarders, for 180 days. SUPPORTING SHIPPERS: Pak, Inc., 3 Depot Place, East Norwalk, Conn., Clarks of England, Boston Post Road, Norwalk, Conn., The Eastern Moulded Products Co., Seven Madison Street, South Norwalk, Conn., Buehner-Wanner, Inc., 66 Fort Point Street, East Norwalk, Conn., Westwill Co., Inc., 349 Connecticut Avenue, Norwalk, Conn., Pacific & Atlantic Shippers, Inc., Post Office Box 276, North Haven, Conn., National Carloading Corp., Post Office Box 276, North Haven, Conn. SEND PROTESTS TO: District Supervisor D. J. Kiernan, Interstate Commerce Commission, Bureau of Operations and Compliance, 135 High Street, Hartford, Conn., 06101.

No. MC 124569 (Sub-No. 6TA), filed July 16, 1965. Applicant: JOHN HUSZAR, JR., doing business as HUSZAR'S VEGETABLE FARM, Route 1, Box 204, Holden, La. Authority sought to operate as a *contract carrier*, by motor vehicle, over irregular routes, transporting: (1) *Root beer (soft drink)* in half gallon bottles, packed in paper boxes, from Ponchatoula, La., to points in Mississippi,

Alabama, Texas, and Georgia, (2) *Empty bottles and paper boxes*, from Waco and Palestine, Tex., Atlanta, Ga., and Jackson, Miss., to Ponchatoula, La., and (3) *Root beer concentrate*, from Chicago, Ill., to Ponchatoula, La., for 150 days. SUPPORTING SHIPPER: Dad's Bottling Co., Ponchatoula, La. SEND PROTESTS TO: W. R. Atkins, District Supervisor, Bureau of Operations and Compliance, Interstate Commerce Commission, T-4009 Federal Office Building, 701 Loyola Avenue, New Orleans, La., 70113.

No. MC 125445 (Sub-No. 1TA), filed July 15, 1965. Applicant: NEWBY BROS., INC., Box 315, Plattsburg, Mo., 64477. Authority sought to operate as a *contract carrier*, by motor vehicle, over irregular routes, transporting: *Livestock feed*, in bags, and in bulk, from Sioux City and Cedar Rapids, Iowa, to points in Nebraska, Kansas, and Missouri (except New Bloomfield, Mo.), for 150 days. SUPPORTING SHIPPER: The Quaker Oats Co., Merchandise Mart Plaza, Chicago, Ill., 60654. SEND PROTESTS TO: District Supervisor B. J. Schreier, Bureau of Operations and Compliance, Interstate Commerce Commission, 1100 Federal Office Building, 911 Walnut Street, Kansas City, Mo., 64106.

No. MC 125987 (Sub-No. 2TA), filed July 16, 1965. Applicant: CLEBERG TRUCKING COMPANY (a corporation), 1801 North McKinley, Tucson, Ariz. Applicant's representative: R. J. Patterson, 1801 North McKinley Street, Tucson, Ariz. Authority sought to operate as a *contract carrier*, by motor vehicle, over irregular routes, transporting: (1) *Prefabricated buildings*, complete, knocked down, or in sections, and in connection therewith *component parts thereof, and equipment and materials incidental to the erection and completion of such buildings*, from Tucson, Ariz., to points in California and New Mexico, and (2) *Materials and supplies used in the manufacture of prefabricated buildings*, from points in California and New Mexico to Tucson, Ariz., for 180 days. SUPPORTING SHIPPER: The George E. Hurst Co., 3922 North Oracle Road, Suite B, Tucson, Ariz. SEND PROTESTS TO: Andrew V. Baylor, District Supervisor, Bureau of Operations and Compliance, Interstate Commerce Commission, 5045 Federal Building, Phoenix, Ariz., 85025.

No. MC 126240 (Sub-No. 1TA), filed July 16, 1965. Applicant: NORMAN SPRESSER, doing business as Spresser Truck Line, Selden, Kans., 67757. Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Feed and feed ingredients* (except in tank vehicles), from Sioux City, Iowa, to points in Decatur, Sheridan, Gove, Logan, Wallace, Sherman, Thomas, Rawlins, and Cheyenne Counties, Kans., and points in Franklin, Kearney, Buffalo, Harlan, Furnas, Red Willow, Hitchcock, Dundy, Chase, Hayes, Frontier, Gosper, Phelps, Dawson, Lincoln, Keith, and Perkins Counties, Nebr., for 150 days. SUPPORTING SHIPPER: The Quaker Oats Co., Merchandise Mart Plaza, Chicago, Ill., 60654. SEND PROTESTS TO: M. E. Taylor, District Supervisor, Bureau of Operations and

Compliance, Interstate Commerce Commission, 906 Schweiter Building, Wichita, Kans., 67202.

No. MC 126629 (Sub-No. 1TA), filed July 16, 1965. Applicant: J. C. ROSS, 6009 Pamela Lane, Knoxville, Tenn. Applicant's representative: Clarence Evans, Third National Bank Building, Nashville, Tenn., 37203. Authority sought to operate as a *contract carrier*, by motor vehicle, over irregular routes, transporting: *Dry fertilizer and fertilizer materials or compounds*, in bulk and bags, and *liquid nitrogen fertilizer*, in bulk, from Knoxville, Tenn., to points in Cherokee, Clay, Graham, Haywood, Jackson, Macon, and Swain Counties, N.C., and points in Lee and Wise Counties, Va., for 180 days. SUPPORTING SHIPPER: American Agricultural Chemical Co., 100 Church Street, New York, N.Y., 10007. SEND PROTESTS TO: J. E. Gamble, District Supervisor, Bureau of Operations and Compliance, Interstate Commerce Commission, 706 U.S. Courthouse, Nashville, Tenn., 37203.

No. MC 127158 (Sub-No. 1TA), filed July 16, 1965. Applicant: LIQUID FOOD CARRIER, INC., Post Office Box 10172, New Orleans, La., 70121. Applicant's representative: Harold R. Ainsworth, 2307 American Bank Building, 200 Carondelet Street, New Orleans, La., 70130. Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Liquid Sugar*, in bulk, in tank vehicles, from the plantsite of Godchaux Sugar Refining Co., Reserve, La., to Ellisville and Starkville, Miss., and Dothan, Sylacauga, and Birmingham, Ala., for 150 days. SUPPORTING SHIPPER: Godchaux Sugar Refining Co., Post Office Box 50488, New Orleans, La., 70150. SEND PROTESTS TO: W. R. Atkins, District Supervisor, Bureau of Operations and Compliance, Interstate Commerce Commission, T-4009 Federal Office Building, 701 Loyola Avenue, New Orleans, La., 70113.

By the Commission.

[SEAL] H. NEIL GARSON,
Secretary.

[F.R. Doc. 65-7757; Filed, July 22, 1965;
8:46 a.m.]

[Notice 10]

MOTOR CARRIER TEMPORARY AUTHORITY APPLICATIONS

JULY 20, 1965.

The following are notices of filing of applications for temporary authority under section 210a(a) of the Interstate Commerce Act provided for under the new rules in Ex Parte No. MC 67 (49 CFR Part 240), published in the FEDERAL REGISTER, issue of April 27, 1965, effective

July 1, 1965. These rules provide that protests to the granting of an application must be filed with the field official named in the FEDERAL REGISTER publication, within 15 calendar days after the date notice of the filing of the application is published in the FEDERAL REGISTER. One copy of such protest must be served on the applicant, or its authorized representative, if any, and the protest must certify that such service has been made. The protest must be specific as to the service which such protestant can and will offer, and must consist of a signed original and six (6) copies.

A copy of the application is on file, and can be examined at the Office of the Secretary, Interstate Commerce Commission, Washington, D.C., and also in the field office to which protests are to be transmitted.

MOTOR CARRIERS OF PROPERTY

No. MC 71516 (Sub-No. 69TA), filed July 16, 1965. Applicant: ALABAMA HIGHWAY EXPRESS, INC., 3300 Fifth Avenue, South, Birmingham, Ala. Applicant's representative: Robert E. Tate, 2031 South Ninth Avenue, Birmingham, Ala. Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Non-metallic pipe and fittings, both metallic and nonmetallic*, from points in Portage County, Ohio, to points in Tennessee, for 180 days. SUPPORTING SHIPPER: Orangeburg Manufacturing Co., Division of the Flintkote Co., Post Office Box 151, Ravenna, Ohio, 44266. SEND PROTESTS TO: District Supervisor, B. R. McKenzie, Bureau of Operations and Compliance, Interstate Commerce Commission, 1325 City Federal Building, Birmingham, Ala., 35203.

No. MC 119815 (Sub-No. 5TA), filed July 16, 1965. Applicant: INTERSTATE HIGHWAY EXPRESS, INC., 1518 L Street, Bedford, Ind. Applicant's representative: Ferdinand Born, 1019 Chamber of Commerce, Indianapolis, Ind. Authority sought to operate as a *contract carrier*, by motor vehicle, over irregular routes, transporting: *Building materials*, as described in Appendix VI to the report in *Descriptions in Motor Carrier Certificates*, 61 M.C.C. 209, and *gypsum products*, from the plantsite of the National Gypsum Co. plant, located approximately 3 miles east of Shoals, Martin County, Ind., to points in Ohio and Michigan, for 180 days. SUPPORTING SHIPPER: National Gypsum Co., Gold Bond Building, Buffalo, N.Y. SEND PROTESTS TO: R. M. Hagarty, District Supervisor, Bureau of Operations and Compliance, Interstate Commerce Commission, Eighth Floor, Century Building, 36 South Penna, Indianapolis, Ind., 46204.

No. MC 127418(TA), filed July 16, 1965. Applicant: TROP-ARTIC REFRIGERATED SERVICE, INC., 1410 Browns Bridge Road, Gainesville, Ga. Applicant's representative: Virgil H. Smith, Suite 236, Title Building, Atlanta, Ga. Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: (1) *Frozen pies or turnovers*, fruit, meat, poultry, or fish, with or without vegetable ingredients, cooked or not cooked; *frozen cake or rolls*, fruit, cream, nut, or custard, cooked or not cooked; *frozen prepared dough*; *frozen poultry and poultry parts*, precooked and breaded; (a) from the plantsite of J. D. Jewell, Inc., at Gainesville, Ga., to points in Alabama, Arizona, Arkansas, California, Colorado, Florida, Idaho, Louisiana, Oklahoma, Oregon, South Carolina, Tennessee, Texas, Utah, Washington, and Wyoming; (b) from the plantsite of Southern Frigid Dough Division of J. D. Jewell, Inc., at Florence, Ala., to the plantsite of J. C. Jewell, Inc., Gainesville, Ga., and points in the States named in paragraph (a) above. (2) *Agricultural products* and those commodities embraced in section 203(b) (6) of Part II of the Interstate Commerce Act, when moving in the same vehicle with economic regulated commodities referred to in paragraph (1), above to destinations enumerated in paragraphs (a) and (b) above, for 180 days. SUPPORTING SHIPPER: Charles J. Thurmond, President, J. D. Jewell, Inc., Post Office Box 1939, Gainesville, Ga. SEND PROTESTS TO: William L. Barrow, Jr., Safety Inspector, Bureau of Operations and Compliance, Interstate Commerce Commission, Room 300, 680 West Peachtree Street NW., Atlanta, Ga., 30308.

No. MC 127419(TA), filed July 19, 1965. Applicant: WILLIAM VOLLMER AND VIRGIL VOLLMER, a partnership, doing business as VOLLMER TRUCK SERVICE, Millstadt, Ill. Applicant's representative: Delmar O. Koebel, 107 West St. Louis Street, Lebanon, Ill. Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Beer*, from South Bend, Ind., to points in St. Clair County, Ill., for 180 days. SUPPORTING SHIPPER: William E. Jung, 311 South Tyler, Millstadt, Ill. SEND PROTESTS TO: District Supervisor Harold Jolliff, Bureau of Operations and Compliance, Interstate Commerce Commission, Room 476, 325 West Adams Street, Springfield, Ill., 62704.

By the Commission.

[SEAL] H. NEIL GARSON,
Secretary.

[F.R. Doc. 65-7758; Filed, July 22, 1965;
8:46 a.m.]

CUMULATIVE LIST OF CFR PARTS AFFECTED—JULY

The following numerical guide is a list of the parts of each title of the Code of Federal Regulations affected by documents published to date during July.

3 CFR	Page	7 CFR—Continued	Page	14 CFR—Continued	Page
PROCLAMATIONS:		777.....	8385	39.....	8407, 8469, 8607, 8826, 8963
3659.....	8383	778.....	8509	61.....	8515
3660.....	8507	813.....	8461	71.....	8470,
3661.....	8663	908.....	8511, 8747, 8998		8471, 8567, 8568, 8607, 8608, 8676,
3662.....	8773	910.....	8511, 8747, 8998, 9051, 9087		8749, 8779, 8826-8828, 8999-9001,
3663.....	8991	911.....	9052		9090, 9201.
EXECUTIVE ORDERS:		915.....	9052	73.....	8472, 8608, 9055
July 2, 1910 (revoked in part		916.....	8960	75.....	8471, 8608, 8828
by PLO 3725).....	8792	917.....	8387-8390,	91.....	8472, 8516
Mar. 29, 1912 (revoked in part			8748, 8961, 9053, 9054, 9088	93.....	8568
by PLO 3715).....	8789	922.....	9054	95.....	8780
July 9, 1913 (revoked in part		923.....	8823	97.....	8609, 8897, 9158, 9159
by PLO 3725).....	8792	944.....	9152	121.....	8568
1238 (revoked by PLO 3728).....	8832	946.....	8511	159.....	8828
8647 (revoked in part by PLO		947.....	9214	163.....	8676
3720).....	8791	1136.....	8566	241.....	8829, 9001
10530 (superseded in part by		1138.....	8391	288.....	8784
EO 11230).....	8447	1400.....	8457	298.....	9201
10559 (superseded by EO		1421.....	8673, 8823, 9088	303.....	8473
11230).....	8447	1427.....	8451, 8673, 8748, 8825	399.....	9205
10759 (superseded by EO		1443.....	9214	PROPOSED RULES:	
11230).....	8447	1446.....	8401	39.....	8413,
10766 (superseded by EO		1464.....	8512		8414, 8487, 8488, 8687, 8688, 8798
11230).....	8447	1483.....	8898	71.....	8489-
10790 (superseded by EO		PROPOSED RULES:			8491, 8589, 8590, 8634-8637, 8689,
11230).....	8447	52.....	8905		8690, 8798, 8799, 8856, 8857, 8970,
10836 (superseded by EO		724.....	8630		8971, 9008, 9009, 9220, 9221.
11230).....	8447	Ch. IX.....	8684	73.....	8590, 8638, 9221
10889 (superseded by EO		921.....	9175	75.....	9009, 9221
11230).....	8447	922.....	8525	77.....	8905
10903 (superseded in part by		930.....	8850	91.....	8799
EO 11230).....	8447	931.....	9095	233.....	8487
10960 (superseded by EO		993.....	8850	15 CFR	
11230).....	8447	1008.....	8855	9.....	8432
10970 (superseded in part by		1009.....	8855	201.....	8963
EO 11230).....	8447	1031.....	9008, 9220	16 CFR	
11012 (superseded in part by		1048.....	8856	13.....	9152-9156
EO 11230).....	8447	1135.....	8525	14.....	9090, 9156
11116 (superseded in part by		1137.....	8525	214.....	9055
EO 11230).....	8447	9 CFR		401.....	8900
11164 (superseded by EO		51.....	8825	PROPOSED RULES:	
11230).....	8447	74.....	8566	303.....	8491
11184 (superseded by EO		78.....	8463, 9089	17 CFR	
11230).....	8447	201.....	8513	231.....	9059
11230.....	8665	316.....	8673-8675	PROPOSED RULES:	
11232.....	8745	317.....	8673	230.....	8638
11233.....	8953	318.....	8463, 8673, 8674	240.....	9222
11234.....	9049	340.....	8675	249.....	8639, 8642
11235.....	9199	PROPOSED RULES:		18 CFR	
PRESIDENTIAL DOCUMENTS OTHER		78.....	8525	PROPOSED RULES:	
THAN PROCLAMATIONS AND EXECU-		131.....	9066, 9174	8.....	9113
TIVE ORDERS:		201.....	8542, 9066	141.....	9113
Reorganization Plan No. 2 of		12 CFR		19 CFR	
1965.....	8819	563.....	8962	4.....	9006
5 CFR		570.....	8963	6.....	9006
213.....	9087	PROPOSED RULES:		PROPOSED RULES:	
7 CFR		545.....	8542-8544, 8698, 9174	8.....	8849
6.....	8623	561.....	8698	20 CFR	
29.....	9207	563.....	8543, 8699, 8972	604.....	8901
33.....	8775	13 CFR		21 CFR	
51.....	8459	107.....	8775, 8900	17.....	8784
201.....	8460	121.....	8825, 9055	46.....	8626
301.....	8821, 8955, 8958, 8959	PROPOSED RULES:		120.....	9002
321.....	9087	107.....	8906	121.....	8474, 8572, 8627, 8784-8786, 9092
354.....	9147	14 CFR		141a.....	9093
362.....	8509, 8775, 8960, 9051	21.....	8464, 8826	141e.....	9158
722.....	8461	23.....	8467	146a.....	9093
724.....	9147	25.....	8467		
728.....	8565, 8667	29.....	8777		
755.....	8669				

21 CFR—Continued	Page
146c.....	8787
146e.....	9158
148p.....	9158
PROPOSED RULES:	
121.....	8794, 9008
22 CFR	
121.....	9034
122.....	9037
123.....	9037
124.....	9041
125.....	9042
126.....	9043
127.....	9043
202.....	9059
24 CFR	
803.....	9218
803a.....	9218
1600.....	8677
25 CFR	
PROPOSED RULES:	
255.....	8969
26 CFR	
1.....	8573, 8628, 8787, 8902, 9060
145.....	8903
175.....	8787
301.....	8584
701.....	8517
29 CFR	
20.....	9002
516.....	8585
551.....	8585
657.....	8964
1601.....	8407
1602.....	8409
PROPOSED RULES:	
541.....	8754
31 CFR	
500.....	9091
32 CFR	
90.....	8518
274.....	9157
553.....	8993
1811.....	8410
32A CFR	
US/C Transportation (Ch. VII):	
T-1.....	9091
OIA (Ch. X):	
OI Reg. 1.....	8475
33 CFR	
3.....	8749
100.....	8518
207.....	8410, 8831
36 CFR	
221.....	8519
38 CFR	
2.....	8607
8.....	8475
39 CFR	
6.....	8620, 9006
13.....	8476, 8752, 8904
16.....	8477
22.....	8588
24.....	8477
47.....	8620
48.....	8620
56.....	8620
62.....	8620

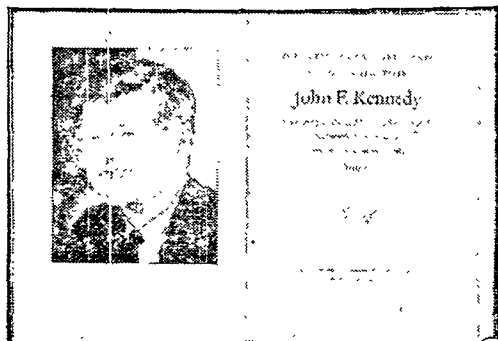
39 CFR—Continued	Page
94.....	9064
151.....	8620
41 CFR	
1-15.....	8482
5B-7.....	8410
8-2.....	8752
8-7.....	8752
9-10.....	8681
9-12.....	8831
9-30.....	8682
9-56.....	8482
11-2.....	8519
11-7.....	8519
101-18.....	8520
101-35.....	8523
42 CFR	
PROPOSED RULES:	
401.....	8797
43 CFR	
16.....	9218
2030.....	8964
3610.....	8481
9230.....	8411
PUBLIC LAND ORDERS:	
26 (revoked in part by PLO 3737).....	8835
549 (revoked in part by PLO 3724).....	8791
559 (revoked in part by PLO 3720).....	8791
1015 (modified by PLO 3734).....	8833
1364 (revoked by PLO 3722).....	8791
1394 (revoked in part by PLO 3711).....	8788
1524 (revoked in part by PLO 3711).....	8788
1537 (revoked in part by PLO 3724).....	8791
1709 (revoked in part by PLO 3737).....	8835
1867 (revoked in part by PLO 3713).....	8789
2460 (corrected by PLO 3729).....	8833
2610 (revoked by PLO 3721).....	8791
2627 (revoked by PLO 3722).....	8791
2958 (revoked by PLO 3732).....	8833
3560 (amended by PLO 3709).....	8788
3607 (corrected by PLO 3723).....	8791
3611 (see PLO 3719).....	8790
3635 (corrected by PLO 3723).....	8791
3648 (corrected by PLO 3710).....	8788
3662 (corrected).....	8524
3707.....	8411
3708.....	8753
3709.....	8788
3710.....	8788
3711.....	8788
3712.....	8788
3713.....	8789
3714.....	8789
3715.....	8789
3716.....	8790
3717.....	8790
3718.....	8790
3719.....	8790
3720.....	8791
3721.....	8791
3722.....	8791
3723.....	8791
3724.....	8791
3725.....	8792
3726.....	8832
3727.....	8832

43 CFR—Continued	Page
PUBLIC LAND ORDERS—Continued	
3728.....	8832
3729.....	8833
3730.....	8833
3731.....	8833
3732.....	8833
3733.....	8833
3734.....	8833
3735.....	8834
3736.....	8834
3737.....	8835
3738.....	8835
3739.....	8836
3740.....	8836
PROPOSED RULES:	
2230.....	8413
3120.....	8484
3130.....	8484
3140.....	8484
3150.....	8484
3160.....	8484
3180.....	8484
3220.....	8484
3320.....	8484
45 CFR	
301.....	9093
46 CFR	
171.....	8836
222.....	9065
527.....	8836
47 CFR	
0.....	8677, 8837
1.....	8837
2.....	8678, 8838
21.....	8840
73.....	8680, 8681, 8964
74.....	8843
87.....	8678, 8838
91.....	8840
97.....	8837
PROPOSED RULES:	
2.....	9109
21.....	8590, 8691
31.....	8692
73.....	8491, 8692, 9222
74.....	8590
83.....	8696, 8697
87.....	8691
91.....	8590, 9109
97.....	9175
99.....	9109
48 CFR	
411.....	8792
49 CFR	
6.....	8968
8.....	8847
71-79.....	8588
95.....	8523, 8793, 8968, 9206
142.....	9158
193.....	9206
50 CFR	
28.....	9007
32.....	8411,
	8482, 8483, 8628, 8682, 8683, 8848,
	9171, 9172.
33.....	8412, 8683, 9006, 9065, 9173
255.....	8412
PROPOSED RULES:	
32.....	8630, 8849
33.....	8630, 8849

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